

6/5/78 [1]

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Cabinet Summaries Cabinet Summaries	Harold Brown to Pres. Carter, 2 pp., re: Defense Summary	6/2/78	A
	Andrew Young to Pres. Carter, 1 pg., re: UN Activities	6/2/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential
 Handwriting File 6/5/78 [1] Box 89

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~~SECRET~~



THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense
(May 27 - June 2, 1978)

Turkish Arms Embargo: I talked with John Stennis about scheduling a hearing next week before the Senate Armed Services Committee on the embargo of arms to Turkey. He will let me know early next week. Al Haig will meet with about twelve Members of Congress next Tuesday to discuss the military implications of the embargo, and will testify later in the day before the NATO Subcommittee of the House Armed Services Committee.

Nuclear Carrier: I have talked with George Mahon about fighting the nuclear carrier funding in the full House Appropriations Committee. He agreed to discuss the subject further with me next week. Analysis of votes on various carrier proposals over the past year suggests that there is a chance that funding for the nuclear carrier could be defeated if we can swing six or seven votes in the committee. I shall continue to work on this and other approaches, and will call on you for help at the appropriate time.

Civil Service Reform: Charles and I have discussed the civil service reform package with dozens of Members of Congress and their staffs, and shall continue our efforts. Within DoD a comprehensive informational effort has been launched, including dissemination of information to employees; briefings to managers; articles in base newspapers and supervisory newsletters; and considerable coverage by the Armed Forces Radio and Television Network. In some local communities there have been public presentations on the reform package by DoD officials, with coverage by the local news media.

U. S. Operations in Zaire: As you directed, I have authorized up to 30 airlift sorties for removal of French units from the Shaba province of Zaire, and also to carry units of a multi-national African force into Shaba insofar as that can be done on the inbound leg of the same sorties. Al Haig estimates that a maximum of 28 C-141 sorties and one C-5A sortie will be required. The security situation in Shaba remains uncertain as the bulk of the 750 French Foreign Legionnaires prepare to depart. This morning the French military told EUCOM that the Moroccans may be ready to go over the weekend, but that the Moroccan government is reluctant to send its troops in without some other African troops making it multinational by going in at the same time.

DECLASSIFIED
E.O. 12356, Sec. 3.4
PER 31143 DoD HX RE MR-NLC-92-31
BY [signature] NARS, DATE 7/24/93

Defense Activities at the NATO Summit: The Summit, thanks to your support, was a success. As I noted to you previously, my meeting with the ministers of defense provided an excellent opportunity to expose the NATO defense leaders to U.S. views on security issues. We were able to sandwich in a brief but effective presentation on AWACS. Defense ministers' response to my briefing on the balance in Central Europe was lively. As you may recall, General Zeiner-Gundersen said on Wednesday that the Military Committee would do one of its own for the December DPC. That is a mixed blessing; it is good for them to think about it, but they don't welcome civilian intrusion and move at a terribly slow pace.

Meeting with NATO Deputy Secretary General: On Thursday Charles met with NATO Deputy Secretary General Petrignani to discuss implementation of the NATO Long Term Defense Program and a number of other ways to make NATO more effective.

SALT II: I shall testify before Tom McIntyre's Subcommittee next Thursday on the impact of SALT II on military research and development.

Address in Chicago: I shall be speaking to the Chicago Council on Foreign Relations on Tuesday; my main subject will be the role of the Navy, but in the course of my day there I shall also be emphasizing your initiatives regarding the embargo of arms to Turkey and civil service reform.

Face the Nation: On Sunday I shall appear on Face the Nation, on CBS. ABC tried to switch back from General Singlaub to me, but too late; serves them right--I hope.

Harold Brown

~~SECRET~~

THE PRESIDENT'S SCHEDULE

Monday - June 5, 1978

7:45 Dr. Zbigniew Brzezinski - The Oval Office.

8:15 Meeting with Senate Group/Labor Law Reform.
(20 min.) (Mr. Frank Moore) - The Cabinet Room.

9:00 Meeting of the Cabinet. (Mr. Jack Watson).
(2 hrs.) The Cabinet Room.

11:00 Mr. Jody Powell - The Oval Office.

11:30 Presentation of Diplomatic Credentials.
(25 min.) (Dr. Zbigniew Brzezinski) - The Oval Office.

2:00 Issues Meeting/1980 Budget. (Mr. James McIntyre).
(2-1/2 hrs.) The Cabinet Room.

5:00 Drop-By White House Reception for the 18th
(15 min.) Mexico-U.S. Interparliamentary Conference
Delegates. (Mr. Frank Moore) - State Floor.

THE WHITE HOUSE

WASHINGTON

June 2, 1978

RECEPTION FOR DELEGATES TO THE
18th MEXICO-U.S. INTERPARLIAMENTARY CONFERENCE

Monday, June 5, 1978

5:00 p.m.

East Room

From: Frank Moore

I. BACKGROUND

The Mexico United States Interparliamentary meetings began in 1961. They have been held annually since that time -- one year in Mexico and the next year in the United States.

It has been traditional for the delegation to meet with the head of the host state every year. The Mexican delegation this year consists of 25 Members of the Mexican House and Senate, their spouses and their staffs. The delegation is headed by Senator Joaquin Gamboa Pascoe and his deputy Enrique Alvarez del Castillo. The United States Delegation is chaired by Senator Lloyd Bentsen and Congressman Kika de la Garza.

II. PARTICIPANTS

See attached lists

III. PRESS PLAN

Open press coverage

IV. TALKING POINTS

1. A statement is being prepared by Jim Fallows.
2. Following your statement, you should recognize Senator Joaquin Gamboa Pascoe and his deputy Enrique Alvarez del Castillo so that they can give some remarks regarding the United States.

PARTICIPANTS

PARTICIPANTS

Senate

Senator and Mrs. Lloyd Bentsen
Senator Charles Percy
Senator Clifford Hansen

Staff from Senate Foreign Relations Committee

Mr. and Mrs. Stephen Ward
Judith Gonzales
Jan Novins
Mr. and Mrs. Robert Barton

Staff from House International Relations Committee

Mr. and Mrs. John Chapman Chester
Mr. and Mrs. Edward Fox
Joyce Raupe
Elizabeth Daoust

Other

Donald Barnes, Interpreter, State Department
David Peyton, U.S. Embassy, Mexico City
Colonel Tom Richardson, Military Escort
Major Richard Pakland, Military Escort

Participants: House Delegates to the 18th Mexico-U.S.
Interparliamentary Conference.

Rep. JOHN ANDERSON wife-KEKE
(R-16-Ill)
Committee: #2--Rules
Chairman-House Republican Conference
Administration Support: 48.8%
This is his 9th term in office.

Rep. KIKI DE LA GARZA wife-LUCILLE
(D-15-Texas)
Committees: #3--Agriculture
 Chairman-Dept. Investigations, Oversight,
 and Research Subcommittee
 #23--International Relations
 #9--Merchant Marine and Fisheries
Administration Support: 26.1%
This is his 7th term in office.

Rep. BEN GILMAN
(R-26-N.Y.)
Committees: #8--International Relations
 #5--Post Office and Civil Service
Administration Support: 56.5%
This is his 3rd term in office.

Rep. CHICK KAZEN wife-CONSUELO
(D-23-Texas)
Committees: #19--Armed Services
 #5--Interior and Insular Affairs
 Chairman-Mines and Mining Subcommittee
Administration Support: 21.7%
This is his 6th term in office.

Rep. BOB LAGOMARSINO wife-NORMA
(R-19-Calif)
Committees: #10--Interior and Insular Affairs
 #10--International Relations
Administration Support: 12.8%
This is his 2nd term in office.

Rep. BOB MICHEL
(R-18-Ill)
Committee: #2--Appropriations
House Minority Whip
Administration Support: 23.8%
This is his 11th term in office.

Rep. JOHN RHODES

(R-1-Arizona)

House Minority Leader

Administration Support: 14.3%

This is his 13th term in office.

Rep. DAN ROSTENKOWSKI

(D-8-Ill)

Committee: #3--Ways and Means

Chairman-Health Subcommittee

House Chief Deputy Whip.

Administration Support: 90.9

This is his 10th term in office.

Rep. JOHN ROUSSELOT

wife-YVONNE

(R-26-Calif)

Committees: #4--Banking, Finance and Urban Affairs

#5--Budget

#2--Post Office and Civil Service

Administration Support: 4.3%

This is his 6th term in office.

Rep. ELDON RUDD

wife-ANN

(R-4-Arizona)

Committees: #13--Interior and Insular Affairs

#10--Science and Technology

Administration Support: 9.1%

This is his 1st term in office.

Rep. MO UDALL

(D-2-Arizona)

Committees: CHAIRMAN--Interior and Insular Affairs

#2--Post Office and Civil Service

Administration Support: 93%

This is his 8th term in office.

Rep. DICK WHITE

(D-16-Texas)

Committees: #8--Armed Services

Chairman--Military Personnel Subcommittee

#5--Post Office and Civil Service

Administration Support: 26.1%

This is his 7th term in office.

Rep. LESTER WOLFF

wife-BLANCHE

(D-6-N.Y.)

Committees: #9--International Relations

Chairman--Asian and Pacific Affairs Subcommittee

#8--Veterans' Affairs

Administration Support: 87.2%

This is his 7th term in office.

Rep. JIM WRIGHT

(D-12-Texas)

Committee: #2--Budget

House Majority Leader

Administration Support: 86.4%

This is his 12th term in office.

Speaker TIP O'NEILL

(D-8-Mass)

THE WHITE HOUSE

WASHINGTON

June 5, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, ^{JL}ACHSAH NESMITH *Net*
SUBJECT: 18th Mexico-U.S. Interparliamentary
Conference Delegates

Revision of Cover Note

The State Department called this morning with
some changes:

In addition to Senator Joaquin (should be pronounced
Ho-keen) Gamboa Pascoe, Enrique Alvarez del Castillo,
Chairman of the Delegation from the Mexican Chamber
of Deputies, should be acknowledged. They will not
come straight from the airport, but will stop by their
hotel first.

EIGHTEENTH MEXICO-U.S. INTERPARLIAMENTARY CONFERENCE

Senate Delegates, Mexico

JOAQUIN GAMBOA PASCOE

JESUS CABRERA MUÑOZ LEDO

ALEJANDRO CERVANTES DELGADO

EUQUERIO GUERRERO LOPEZ

OSCAR BAYLON CHACON

MARTHA CHAVEZ PADRON

VICENTE CORAL MARTINEZ

MORELOS JAIME CANSECO

ARNULFO VILLASEÑOR SAAVEDRA

LEOBARDO RAMOS MARTINEZ

HUMBERTO A. LUGO GIL

ALBERTO A. ALVARADO ARAMBURO

JOSE LUIS ESCOBAR HERRERA

EIGHTEENTH MEXICO-U.S. INTERPARLIAMENTARY
CONFERENCE

Representatives, Mexico

ENRIQUE ALVAREZ DEL CASTILLO

JULIO ZAMORA BATIZ .

LUIS PRIEGO ORTIZ

MARTHA ANDRADE DE DEL ROSAL

HUGO DIAZ VELAZQUEZ

MARIO HERNANDEZ POSADAS

MIRNA ESTHER HOYOS DE NAVARRETE

MIGUEL BELLO PINEDA

HECTOR XIMENEZ GONZALEZ

FRANCISCO JOSE PENICHE BOLIO

FRANCISCO ORTIZ MENDOZA

SAUL CASTORENA MONTEERRUBIO

STAFF FROM MEXICO

LIC. ALBERTO BRICEÑO RUIZ and GABRIELA ALATRISTE DE BRICEÑO

LIC. ARTURO MARTINEZ CACERES and MABEL FIMBRES DE MARTINEZ
CACERES

LIC. RAUL MERINO RAMOS and ADDY NOEMI ESCAMILLA DE MERINO

ISMAEL MARTINEZ HOYOS

JOSE LUIS MUÑOZ NIETO

HECTOR MARTINEZ MORENO

LIC. JOAQUIN GAMBOA ENRIZUEZ and spouse

ARQ. JORGE ENRIQUEZ PRIETO and spouse

C. P. GUILLERMO WOLF and spouse

MR. ALEJANDRO VAZQUEZ CHAVEZ

MR. ALEJANDRO GAMBOA ENRIQUEZ

Miss MARTHA ELISA WOLF

Mr. RAMON CORONA ALVAREZ

ANA LUISA LERDO DE TEJADA

Mrs. GRISELDA UNZUETA MEJORADO

Mrs. MARIA ELENA SALINAS SERPA

Mr. JORGE MESSO and spouse

ASESOR

ENRIQUE MONTES SANCHEZ

FRANCISCO BELTRAN PARDO

SILVIA BARRAGAN

Mr. ASA SATZ

Mr. HECTOR ANTUÑANO

CUAUHTEMOC AGUILERA

SCENARIO

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON *Gp*

DATE: 2 June 1978

SUBJECT: RECEPTION FOR 18th MEXICAN-AMERICAN
INTERPARLIAMENTARY CONFERENCE DELEGATES
5 June 1978 4:30 P.M.

4:30 P.M. All guests arrive in buses (2) at Southeast Gate. Proceed to Blue Room for refreshments. Move into East Room.

(Military string quartet in Main Hall.)

5:00 P.M. The PRESIDENT and MRS. CARTER arrive State floor and proceed to door of East Room for receiving line. Continue to platform on east wall for remarks.

(Press pens on either side of East Room door.)

4:45 P.M. The PRESIDENT and MRS. CARTER depart State floor.

5:00 P.M. All guests depart via Southwest Gate.

NOTE: Refreshments to be served in Blue Room are: Fresh fruit, strawberry tarts, banana cake, and iced tea.

TALKING POINTS

THE WHITE HOUSE

WASHINGTON

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, ACHSAH NESMITH
SUBJECT: 18th Mexico-U.S. Interparliamentary
Conference Delegates

Note: Senator Joaquin (pronounced Yokin) Gamboa (like Balboa) Pascoe (mother's name) heads the Mexican delegation. He has a long history of interest and involvement with this program, very protocol conscious. State doesn't feel any others need to be singled out. Senator Lloyd Bentsen and Congress E. "Kika" de la Garza of Texas head the U.S. delegations. Congressman Wright is greeting them and was originally chairman of the House delegation. The delegates and their wives are coming directly from the airport to the White House.

Senator Gamboa, Senator Bentsen, Congressman de la Garza,
Congressman Wright:

1. Senators and Deputies, it's an honor to welcome you to the United States. My first state visitor as President was Mexico's President Lopez Portillo. My wife attended his inauguration even before my own. Our relations with Mexico are of prime importance not only because of our physical proximity, our long borders and our trade relationship, but because of Mexico's growing role in international affairs.

2. At that first official visit in February 1977, President Portillo and I agreed to establish the U.S.-Mexico Consultative Mechanism. Political, economic and social Working Groups have been meeting and considering the whole range of issues between our countries since May of 1977. Secretary of State Vance and the U.S. Chairmen of the Working Groups met with Foreign Secretary Roel and the Mexican Chairmen last month. At that time two treaties -- on extradition and maritime boundaries -- and a tourism agreement were signed. There has also been significant progress in other areas over the past year: a fisheries agreement; a broad new civil aviation agreement; the Transfer of Sanctions Treaty permitting the exchange of U.S. and Mexican prisoners; a precedent-setting Tropical Products Agreement.

3. Your meetings here, of course, are not negotiations between nations -- none of the important and sometimes delicate issues that involve our two nations will be settled here. But something perhaps far more important will take place at your meetings. You will explore with legislative leaders of your near neighbors not only the issues themselves, but the feelings and situations that surround them. I hope you will all come away with a better understanding of the problems that face us in an increasingly interdependent world, and of the nuances that must be considered in arriving at just and workable solutions.

4. Understanding other nations is always important, but it is particularly so between nations such as ours. Many of our domestic decisions have significant impact on the other nation. How the United States solves our energy and agricultural problems has direct impact on Mexico. How you meet your problems of unemployment, development, and population growth affects us directly. Success in the efforts of either country in matters of narcotics control and water management along the border require informed cooperation that serves the needs and best interest of both nations.

5. In addition to their constitutional roles, legislative bodies also serve to increase public awareness and understanding of issues through their investigations, and debates. Senate ratification of the Panama Canal treaties served

this purpose, and the resolution of the question represented a national decision and commitment that action by an executive alone could not have done. The Senate's action removed one political problem in our hemisphere and opened the way for attention to other important questions.

6. Many important elements in our relations with Mexico that you may want to discuss are now before the U.S. Congress:

- The Senate is considering the legislative proposals on undocumented aliens which I announced last August. The legislation we seek is important to ensure humane treatment of undocumented aliens and bring them under the full protection of our laws. We are all aware, however, that the basic problem cannot be solved by short-term measures such as we have proposed. It is essential that our two governments continue in close cooperation and that we look toward longer range solutions.

- Important matters of trade and taxation are constantly before the Congress.

- International Development banks play an important role in financing rural development and industrial projects that generate employment. Our Congress will soon be dealing with legislation on financing these institutions.

- Energy legislation has now reached the point where we will soon be in a position to resume discussions with Mexico on importation of natural gas to the United States.

7. Your meetings will give you a chance to review the progress made since your President and I first met here at the beginning of both our administrations, and to make suggestions for further improvement in the warm and mutually beneficial relationship between our countries.

Frank

Hosp cost containment calls

Jim Lee Carter. "Finale + " - call
 Brockhill & "Madigan (not done yet)

Bob Krueger. "Wants to help, but committed
 against WEP controls - will try"

Bob Conroy - "Philosophical problem. Earlier
 statements of tentative support misunderstood"
 (did not discuss Ellington ATO)

Al Gore - "Country hospitals need flexibility -
 will listen to debate". I explained standards
 2% amend.

Thomas Lent. "Studying - will call President if
 can't support"

Na H Finado - "will support" if Paul Rogers
 can resolve a question"

Wade Marks "Committed to Senate - realizes now
 it guts bill - will reconsider & will call
 Pres if can't support"

Jack Murphy - will support.

THE WHITE HOUSE
WASHINGTON

Frank has
already

29B

THE WHITE HOUSE
WASHINGTON

June 5, 1978

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

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	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
✓	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

Frank
Lone
J

THE WHITE HOUSE
WASHINGTON

Mr. President

Congressman Walter Flowers called Friday evening.

He would like you to call him sometime Saturday.

As you probably know, he announced before Senator Allen's death that he would enter the Democratic primary for Sparkman's Senate seat. He, like many others now in Alabama, is most concerned about the future of the two Senate seats and would like to discuss it with you.

Frank thinks you should call him.

a) Will stick to 6 yr term
b) Craig A. base - new industry (2000 jobs)
J. Watson knows
Need black vote - 8/19 Black Demos
Frank knows
Primary 9/5

Jan

2914

THE WHITE HOUSE
WASHINGTON

June 5, 1978

Fran. Voorde

The attached was returned in
the President's outbox. It is
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Rick Hutcheson

ROCKEFLLER LETTER -- DISTINGUISHED
SERVICE AWARD

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	SECRET
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	WARREN
<input checked="" type="checkbox"/>	WISE

30 Rockefeller Plaza
New York, N.Y. 10020

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nice no
J*

Room 5600

Circle 7-3700

May 18, 1978

Dear Mr. President:

On behalf of the Center for Inter-American Relations in New York City, it is my privilege to extend to you our cordial invitation to become the first recipient of its Distinguished Service Award -- as a special tribute to your fine leadership on behalf of the new Panama Canal treaties. In my judgment, this achievement constituted a watershed event which will have a profoundly favorable effect for many years to come, not only with our neighbors in Latin America, but with all developing nations of the world as well. It is our feeling that the American people have not recognized sufficiently the vital significance of this development and that it would be useful to underscore its importance in a visible forum attended by leadership groups from business and other sectors of our society.

A private and non-profit institution, the Center seeks better relations among the nations of the Western Hemisphere by means of its efforts to increase awareness and understanding in the U.S. of the nations of Latin America, the Caribbean and Canada. I was one of the founders of the Center in 1965, and am currently its Honorary Chairman. Although the Center holds no views of its own, it was under the Center's sponsorship that a private Commission on United States-Latin American Relations was created in 1974 and functioned through 1976 under the Chairmanship of Sol Linowitz. Sol has been a Director of the Center since 1969 and continues to play an active and important role in its affairs.

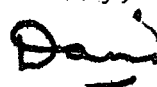
The Linowitz Commission's single most urgent appeal, stated in two well-received reports that called for many modifications in previous U.S. policies toward Latin America, was for the completion of new Panama Canal treaty arrangements. Because of your singularly meaningful accomplishment in achieving these treaties, the Center is particularly hopeful of an opportunity to confer its award upon you. In terms of the broad future of relations between the United States and Latin America, as well as the goals for which the Center stands, the critical importance of these new treaties can hardly be over-emphasized.

The Center's award would be presented at a dinner in New York City at which we hope you would be our honored guest and distinguished speaker. I would act as dinner chairman. In attendance would be leading New Yorkers representing government, finance, commerce and industry, the professions and the arts. In addition, we would propose to include representatives of the Latin American diplomatic corps, and to place a special emphasis on Panamanian participation.

We very much hope that it might be possible for you to accept this invitation, and that we could then settle quickly on a suitable date for the event. I therefore keenly await your reaction, and in the meantime wish to thank you very much for any consideration you are able to give this proposal.

With best wishes,

Sincerely,

A handwritten signature in dark ink, appearing to read "David", with a stylized flourish at the end.

David Rockefeller

The President
The White House
Washington, D.C.

THE WHITE HOUSE
WASHINGTON

June 5, 1978

Hugh Carter

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Bob Lipshutz
The First Lady
Phil Wise

TRAVEL GUIDELINES

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	JORDAN
	KRAFT
<input checked="" type="checkbox"/>	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
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	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
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	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
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	PETERSON
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	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
<input checked="" type="checkbox"/>	WISE

THE WHITE HOUSE
WASHINGTON

6/2/78

Mr. President:

Phil Wise and the First
Lady had no comments.

Rick

THE WHITE HOUSE

WASHINGTON

May 26, 1978

oh
J

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HCC*
SUBJECT: Travel Guidelines

Per your recent call to me at home, I have drawn up a list of travel expense guidelines for your approval. The guidelines are applicable to you, the First Family, the Vice President, the Vice President's family, and your and the Vice President's staff.

Travel Expense Guidelines

- (1) Military passenger aircraft may be used by the President on a need basis as required by the duties of the office. Presidential travel, other than for political purposes, is official and need not be reimbursed. Appropriate reimbursement will be made to the government for political travel, and on those trips which include both official and political activity (mixed trips) there will be proration on a reasonable basis.
- (2) The expenses of the President's staff traveling with him will be treated in the same manner as those of the President with the exception that on wholly political or mixed official/political trips, the President's personal secretary, or whomever is filling that function, will be considered to be official at all times. The First Family and staff when traveling separate from the President on official business may do so at government expense.
- (3) When the First Lady and staff are involved in political or mixed political/official trips, the government will be reimbursed on the same basis as Presidential travel, except that no member of the First Lady's staff will be treated as on official business at all times.
- (4) When members of the First Family, engaged in official travel, also engage during the same trip in wholly personal activities, they will be required to pay any additional costs which are incurred as a result of the non-official activity. However, up to two aides may travel with the First Lady at government expense even

-2-

on those portions of such trips which are non-official and non-political.

- (5) When members of the White House staff are engaged in mixed official/personal travel, their expenses will be handled in the same manner as the First Family except that the government will not bear the expense of aides accompanying such staff members on the personal portions of such trips.
- (6) The above guidelines apply equally to the Vice President, his family and staff.

These guidelines, along with the aircraft policy which was submitted to the Brooks Committee and the procedures for handling political expenses submitted to the Federal Election Commission, should provide for complete documented guidance for handling travel expenses.

Note: Bob Lipshutz and Mike Berman have seen and approved these guidelines.

✓ Approve above listed guidelines
 Disapprove above listed guidelines
 Other

J C

THE WHITE HOUSE

WASHINGTON

Date: May 27, 1978

MEMORANDUM

FOR ACTION:

NC
First Lady

*check w/ headline on
Thurs. Friday*

FOR INFORMATION:

Stu Eizenstat
Hamilton Jordan
Tim Kraft
Frank Moore
Jody Powell
Jack Watson

Fran Voorde
Phil Wise *NC*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo re Travel Guidelines

check

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 9 am

DAY: Wednesday

DATE: May 31

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

June 5, 1978

The First Lady

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Frank Moore
Fran Voorde

DINNER WITH THE SPEAKER AND
MAJORITY LEADER

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
✓	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
✓	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAF'SHOON
	SCHNEIDERS
✓	VOORDE
	WARREN
✓	WISE

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS
WASHINGTON
20506

*705 - Pick me
J*

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

From: Ambassador Robert S. Strauss

RSS

You requested that I send you a note with respect to possibly having dinner in a restaurant with the Speaker, the Majority Leader and their wives.

700

June 6, 7, 12, 14, 21 and 22 look like very good dates if any of them appeal to you and fit your calendar.

I enjoyed our visit this morning. Because of it, I will not bore you with a weekly summary.

2:00 PM



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEETING ON THE 1980 BUDGET
Monday, June 5, 1978
2:00 P.M. (two and one-half hours)
The Cabinet Room

FROM: James T. McIntyre, Jr. *JTM*

I. PURPOSE

To discuss and develop policy guidance for certain 1980 budget issues in the program areas of welfare reform, public service jobs, and youth employment and training. Supporting materials are included in the attachment.

II. PARTICIPANTS

2:00 Entire session

The Vice President
Hamilton Jordan
Jody Powell
Jack Watson
Frank Moore
Robert Strauss
Anne Wexler
Stuart Eizenstat
Secretary Marshall
Arnold Packer
Alfred Zuck

Charles Schultze
James McIntyre
Bowman Cutter
Dale McOmber
Suzanne Woolsey
Hubert Harris
Phil Hanna
Barry White
Fred Fischer
Bertram Carp
David Rubenstein

Attachment

2911

THE WHITE HOUSE
WASHINGTON

June 5, 1978

Frank Moore

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

cc: Rick Hutcheson
The Vice President
Stu Eizenstat
Hamilton Jordan
Jack Watson

ADMINISTRATIVELY
CONFIDENTIAL

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

*return
orig to me
to record*

	ADMIN CONFID
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	SECRET
	EYES ONLY

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<input checked="" type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	KRAFT
<input checked="" type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE (has)
<input checked="" type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	WEXLER
<input checked="" type="checkbox"/>	BRZEZINSKI
<input checked="" type="checkbox"/>	MCINTYRE
<input checked="" type="checkbox"/>	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE

WASHINGTON

June 3, 1978

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT
FROM: FRANK MOORE
SUBJECT: Weekly Legislative Report

DOMESTIC POLICY ISSUES

> 1. ENERGY

Non-Tax: House and Senate staffers continue to meet to work out specific language changes and additions to the natural gas compromise. At this point, the staffers prefer that DOE representatives do not become actively involved. There are about 25 issues remaining but only two that DOE regards as requiring extended discussion: 1) the agricultural exemption (Senators Ford and McClure and Rep. Dingell represent the primary interests) and 2) the questions of where appeals of FERC rulings would be lodged (the House conferees would prefer the D.C. Circuit Court; the gas industry is opposed) and of the shape of rule-making authority. A meeting of the conferees is still tentatively set for June 6.

Tax: The House conferees on the tax bill will be the same individuals as those who worked on the rest of the bill; Senator Long will head up the Senate conferees. However, most of the serious negotiations will be informal and will be between Long and Ullman. The key question now is one of timing -- do we wait until the gas bill is finished before pushing the tax bill in earnest to avoid having the fallout from one impact the other? A decision on this should be made only after careful and wide examination of all factors.

my inclination is to move on tax

> 2. TAX REFORM

-- Treasury advises that although Ullman has not yet decided whether or not to move forward, there is a good possibility that Ways & Means will start working on taxes again on Tuesday or Wednesday. If there is a session next week, it will probably center around a package proposed by Rep. Jones (D-Okla.) which would not be acceptable to us. Secretary Blumenthal will try to talk with Chairman Ullman this weekend, and he should be prepared to discuss the situation at the Cabinet meeting on Monday.

> 3. REORGANIZATION

Civil Service: The Senate Committee staff has completed their "committee print" in preparation for the markups scheduled for next week. They hope to complete action by Thursday.

-- The House Government Operations Committee will have a hearing on the Reorganization Plan on Tuesday with Scotty Campbell and Jim McIntyre testifying.

-- The House Post Office Committee Democrats continued to caucus on Thursday and Friday with most of the discussion on Friday centering on labor-management relations. They did not reach a final agreement on the issue and will continue next Wednesday with a discussion of union security provisions (some form of agency shop).

-- The following information on the Friday caucus is very sensitive: those Members attending the afternoon session agreed to a greatly expanded scope on the bargaining section quite similar to the Clay/Ford bill. Reps. Spellman, Harris, Schroeder, and Heftel were in an out during the meeting, but most likely were not parties to the agreement.

-- CSC reports that the caucus agreement may be picked up by the press, but CSC believes that Udall knows that the caucus will have to come a long way back to our position before bringing the bill to full committee markup. At this point, Udall does not want the unions to think that they got a bad deal. The Members will caucus again next Wednesday morning to complete discussions. Udall wants at least 14 to 16 Members to attend and CSC plans to help round them up.

-- With the bill likely to be reported out of the House Committee within three weeks, the Civil Service Task Force is developing a House strategy. The major elements are aimed at keeping pressure on the Committee to report out the bill and developing a core of strong supporters and Administration advocates when the bill gets to the floor. The plan will be completed next week, and the Task Force intends to make specific assignments to agency CL officers by next Friday.

Education: Senator Ribicoff hopes to begin markup on his bill during the third week in June, but this schedule depends on the status of the civil service markup. Jack Brooks continues to hold out on his role.

Emergency Preparedness: OMB is developing a draft plan in anticipation of submitting it as the third reorganization plan of 1978.

ERISA: OMB reports that final consultations with the House and Senate (including Senators Bentsen, Javits, and Williams) are being conducted, and a draft plan is being developed in cooperation with DOL and Treasury. Jim McIntyre will get a decision memo soon.

Law Enforcement: OMB reports that a final meeting with Chairman Rodino evidenced his preference for creating the National Institute of Justice by an LEAA reorganization bill rather than a plan.

4. HOSPITAL COST CONTAINMENT

-- Some members of the Commerce Committee -- notably Jim Santini, who has an unacceptable substitute -- are pressuring Harley Staggers to postpone the markup until Wednesday. HEW's latest information is that the Rogers substitute for the Subcommittee bill may be taken up on Tuesday, but that the votes on the Santini substitute will be put off until Wednesday. This is because of the absenteeism due to the eight primaries on Tuesday.

-- The next committee count will depend on the results of your calls.

not too
good

5. AIRLINE REGULATORY REFORM

-- DOT reports that the Public Works Committee will ask for a rule on the regulatory reform legislation, but they won't say when. The leadership of the Committee has indicated that they will wait and see as to how quickly the Senate moves on the noise legislation before going to Rules. In that regard, Senator Cannon has stated that he will not mark up until a fly-over demonstration of retrofitted and non-retrofitted aircraft occurs. DOT is working now to set this test up on June 17, since Cannon's hearings end on the 15th.

-- Subcommittee Chairman Anderson is still adamant that noise and reform be put together, and DOT staff will meet with him next week to reiterate the Administration's position on this.

6. APPROPRIATIONS

-- Attached at the end of this report is a chart prepared by OMB on the budgetary status of appropriations bills and authorizing bills of particular interest. Also attached is a report on the public works appropriations bill.

Labor/HEW: The overall funding levels of the bill, as it emerged from full Committee last week, look as follows:

(in millions of dollars)

	<u>Request</u>	<u>House Committee Change</u>
1979 Appropriations.....	57,339	+643
Changes that do not affect 1979 spending...		(-244)
Other changes (Dis- cretionary BA increases.....)		(+887)

-- OMB reports that the Committee's report contains language specifying appropriation amounts for personnel compensation and the related number of positions for each institute within the National Institutes of Health. The report also includes more general restrictive language concerning personnel ceilings in all programs funded by the bill. OMB strongly opposes these constraints on Executive prerogatives. *So do I*

-- The full Committee added \$7.5 million recently requested for activities of the Humphrey Institute of Public Affairs and the Dirksen Leadership Center but otherwise adopted the Subcommittee's recommendations.

-- During the markup last week, Rep. Michel (R-Ill.) offered an amendment, supported by Chairman Mahon, which would have reduced the appropriations in the bill for HEW by \$1.5 BILLION. This amount would come from reductions in the programs recently cited by the HEW Inspector General as subject to waste, fraud, and abuse (Medicaid, Medicare, AFDC, SSI, social services, student financial aid, indirect costs, and ESEA Title 1). Rep. Michel withdrew the amendment in order to perfect the language, but he plans to offer it when the bill reaches the floor next Wednesday or Thursday.

-- HEW advises that the debate on the Michel amendment will be a replay of the fight on the Ashbrook (R-Ohio) amendment to the budget resolution which was aimed at cutting \$3.15 BILLION from the HEW functions in the resolution. The Ashbrook amendment was adopted, but the vote was later reversed.

-- WHCL, DP, HEW, and OMB staffs will work to develop the Administration's amendment and will try to find a good congressional sponsor on Monday.

Transportation: The current budget levels look as follows:

	(in millions of dollars)				
	<u>Request</u>	<u>House Committee</u>	<u>Senate Subcommittee</u>	<u>Change House</u>	<u>Senate</u>
1979 Program Level (new budget authority and limitations on obligations and commitments).....	18,272	19,191	18,657	+919	+385

-- The full House committee declined to make any changes to the subcommittee's recommendations in its markup last week.

-- OMB expects that the Administration's request for ConRail and the urban initiative may be increased shortly and that these actions will mitigate some of the increases shown above. The bill is tentatively set for floor action on Friday, but this could easily slip.

-- The Senate subcommittee held its mark-up session on May 25 and deleted \$73.8 million from four unrequested categorical highway grants added by the House. It also eliminated the additional \$300 million provided by the House in the obligation limitation for Federal-aid highways. Other changes made by the Senate subcommittee include the denial of \$250 million added by the House subcommittee for an unrequested Tier II mass transit operating subsidy program and an additional \$55 million in unrequested funds for specific railroad grade crossings.

Treasury/Postal Service: The following table shows changes recommended by the House full committee and Senate subcommittee in action on the EOP request:

	<u>Change to the Request</u> (in thousands of dollars)	
	<u>House</u>	<u>Senate</u>
The White House Office.....	---	-196
Domestic Policy Staff.....	-650	---
National Security Council.....	-32	-32
Office of Management and Budget.....	-353	-146
Office of Federal Procurement Policy.....	-1,540	---

-- The bill (overall about \$29 million below the request) is tentatively scheduled for House floor action on Wednesday. OMB staff is generally supportive of the bill and does not plan to try to change it on the House floor. Gun control language amendments may be offered.

State/Justice: The House bill overall is \$35 million below our request but contains about \$263 million in increases for SBA programs. The Senate subcommittee is scheduled to mark up the bill next week. OMB advises that the subcommittee may cut some House SBA add-ons, but there is a possibility of EDA add-ons -- Senator Weicker

may propose a \$275 million increase to the House bill. The subcommittee probably will make moderate increases above the House bill for NOAA and LEAA.

7. NEW YORK CITY FINANCING

-- House floor action will occur next week with general debate scheduled for Tuesday and votes scheduled for Thursday. Treasury's most recent tally shows that the Democrats break down in the following way:

+	+	?	-?	-
110	55	64	48	9

Other Democratic counts are as follows:

	+	+	?	-?	-
Whip:	119	29	65	20	29
Biaggi:	166	10	9	3	19

-- There has been no thorough count of the Republicans, but Rep. McKinney's (R-Conn.) and Rep. Mitchell's (R-N.Y.) staffs have indicated that 25-50 may go with us. We have a "for" and "leaning for" range, then, of 190 to 226. Treasury is now working on the 64 "undecideds." If we win over 30 of the undecideds, we should win the vote. If we do better, we'll have a better margin to take to the Senate.

-- Secretary Blumenthal will testify next Wednesday before Proxmire's Committee, he also intends to make phone calls to House Members prior to the floor vote.

8. LABOR LAW REFORM

-- Following cloture, the Senate will start consideration of over 400 filed amendments. Based on a preliminary review, DOL estimates that as many as 75% of these amendments are not germane to the bill.

-- DOL advises that included in the group of non-germane amendments are those offered by the Majority Leader and Senator Ford relating to small business. We do not yet know Senator Byrd's strategy on this -- one complication at this point is the opponents' disunity on how to deal with the Bryd-Ford amendment.

-- We understand that small business groups plan to gather many (10,000 has been mentioned) small businessmen in Washington on June 8. WHCL has requested that Secretary Marshall meet with them.

9. ALASKA LANDS

-- The Senate Energy and Natural Resources Committee concludes hearings next Tuesday on various Senate Alaska land proposals -- the Interior Department was not asked to testify. Senate Committee markup could occur the week of June 19. Interior CL staff believes that Senator Church will try to use the House-passed bill as the markup vehicle.

-- Interior advises that Senator Stevens is behind a move to call Secretary Andrus before the Senate Interior Appropriations Subcommittee next Thursday to answer questions about Departmental actions on the Alaska lands legislation. Interior anticipates that Stevens will allege that the Department has been guilty of improper lobbying activities principally through the expenditure of Office of Public Affairs funds for the promotion of the legislation. There should be a good deal of media attention, and Secretary Andrus is anxious to refute the allegations.

10. HOUSING AND COMMUNITY DEVELOPMENT

-- The House is likely to consider the bill within the next few weeks. It extends and amends HUD's housing and community development authorities and Agriculture's rural housing authorities. OMB reports that in many respects, the bill is similar to the Administration's proposals and is far superior to the Senate Committee reported version of the bill, but the House Committee has made some changes in the Administration's request.

-- HUD reports that Rep. Garry Brown (R-Mich) will offer a floor amendment which provides for a one-house veto of HUD regulations. HUD CL and WHCL staffs agree that you should consider sending a letter to Rep. Ashley urging him to work to defeat the Brown amendment.

ok - prepare it

11. SUGAR BILL

-- Last Thursday the House Agriculture Committee concluded its series of hearings on the Church-de la Garza sugar bill. USDA reports that most of the testimony was in favor of the legislation, but opposition was expressed by labor and migrant worker organizations. Representatives of Puerto Rico, Malawi and Thailand took no position on the bill itself, but expressed opposition to any return of country-by-country quotas. USDA has been seeking cosponsors for the Administration's bill; they hope to get Senator Nelson and Congressman Vanik. In the meantime, USDA advises that they keep getting indications that Senator Long, as well as the leadership of the beet sugar industry, would like to begin talks of compromise.

FOREIGN POLICY AND DEFENSE ISSUES

1. TURKISH ARMS EMBARGO

-- Efforts next week will focus on the Senate leadership meeting we hope to organize on Thursday, and on House briefings conducted by General Haig, Ambassador Spiers and other State and Defense officials. On Thursday Cypriot President Kyprianou will appear before the HIRC and the SFRC and he will probably take a strident stand against the Administration position.

-- State advises that it is too early to gauge the effects of the Ecevit and Caramanlis visits to Washington, but efforts on the Hill would be helped if a Cyprus-oriented meeting could be organized in New York in the next week. State is working to organize such a session as well as continuing to urge the Turks to make unilateral gestures in the next few weeks such as making a further troop reduction, expression willingness to reopen the Nicosia airport, and allowing some Greek-Cypriot resettlement in New Famagusta.

-- George Vest will testify next Thursday before the House Appropriations Subcommittee of Foreign Operations on supplemental appropriations requests for Greece, Turkey and Lebanon.

2. FOREIGN ASSISTANCE APPROPRIATIONS

-- The bill should move to the House floor June 21. The outlook is clouded, with Long threatening further cuts and Dave Obey disgruntled because of HEW appropriations.

-- State advises that Jim Wright thinks it would be fruitless to attempt to remove constraints on Mozambique on the floor ("they're harboring guerillas") and he recommends that we try to eliminate the prohibition in the Senate and then in conference. State recommends that no effort be made on Mozambique during the House debate.

-- As reported from the full Committee, the bill: 1) cuts over \$1 BILLION from our request; 2) includes prohibitions on direct assistance to seven countries, but no indirect assistance prohibitions; 3) contains broad injury test language but no commodity specific prohibitions; 4) cuts non-Israel security assistance by 20 percent; and 5) includes no funds for UNU, cuts UNDP to \$123 million (versus \$115 million last year; \$133 million requested), and UNICEF to \$30 million (versus \$25 million last year; \$35 million requested).

-- Everyone agrees that there is no chance of improving the bill on the floor. State advises that our aim should be to avoid as much further damage as possible. The following amendments can be expected:

IFI Cut: Long failed by two votes in the full Committee to cut the IFI's by another \$600 million. He will probably offer an amendment on the floor.

Indirect Prohibitions: It is likely that Bill Young will seek to add the "indirect" prohibition to the direct prohibition already in the bill on seven countries.

Central African Empire: To be added to the prohibited list.

Across-the-board cut: A 5 percent cut was adopted last year by 214 to 168. A 5 percent cut on the authorization passed 200 to 172.

Commodity Amendments: We hope to forestall the citrus/palm oil amendments from last year as well as additional prohibitions for steel, textiles and electronics.

Korea: Funds for FMS may be cut, with the idea that any cuts can be restored in conference if Kim Dong-jo has not become available.

India: There may be an amendment to cut off direct and indirect assistance to India because it is providing assistance to Vietnam. There may also be an attempt to cut IDA by the amount India would receive -- roughly \$155 million. Bill Young is involved.

Panama: The House voted 202 to 163 this week to prohibit use of any State authorization funds for implementing the Panama treaties. We can expect more of the same on this bill.

Single-shot Human Rights Amendments: Depending on how the voting goes, individual countries may be singled out for prohibitions.

Peace Corps Prohibition: Volunteers prohibited from the countries specified.

3. AFRICA/SHABA

-- Based on limited contacts, State predicts that there will be wide congressional support for plans to transport the French forces in Shaba back to France, and to provide logistical support for moving the planned African security force for Shaba. With respect to the African security force, State advises that Congress will want to be reassured about the limited, non-combat nature of U.S. support. U.S. participation in a African security force (an idea being floated by the French) would be far more difficult to sell on the Hill.

4. DEFENSE APPROPRIATIONS

*not being considered -
never discussed*

-- Your strong letter on appropriations may have helped postpone the continuing House Defense Subcommittee markup where add-ons have been running rampant.

-- DOD advises that Secretary Brown and George Mahon are continuing discussions on fighting the funding for the nuclear carrier in full Committee. DOD believes that if they can swing 6 or 7 votes in the full Committee, there is a chance of success.

5. ANTI-TERRORISM LEGISLATION

-- The SFRC will hold a hearing next week on the Ribicoff anti-terrorism bill, referred to the Committee from the Governmental Affairs Committee. State has been negotiating over the past several months with Ribicoff's staff and has eliminated many of the objectionable features of the original bill. However, the bill still contains two features restricting Presidential authority:

*Comp
veto*
1) countries supporting terrorism must be listed, and can be removed from the list only if Congress does not object by legislative veto; and 2) once a country is listed, the President must apply mandatory sanctions unless he determines that a waiver is required in the interest of national security -- the waiver authority is one which would be used only at high political cost.

-- State advises that an anti-terrorism bill is highly attractive to Senators (the Ribicoff bill has 36 cosponsors) and it will gain approval in some form, but it will be difficult to hold the line against amendments which could restrain Presidential authority even more severely than those in the current version.

-- The SFRC will hear from State, Justice, Commerce and DOT witnesses on June 8, and the CIA will be heard in closed session. The bill has been sequentially referred to the SFRC and the Commerce Committee and must be reported out by them by June 22. At that time it will be referred to the Intelligence Committee.

6. EXIMBANK AUTHORIZATION

-- The House had a long debate on the bill last week and still got through only the South Africa and PRC amendments.

-- On South Africa, the House relaxed the Committee-approved version barring all Eximbank services to South Africa by adding language which permits services to private South Africa firms if the Secretary of State certifies that they will endorse and implement the Sullivan Doctrine (equal and fair employment to all workers, etc.).

**Electrostatic Copy Made
for Preservation Purposes**

-- On the PRC, Vanik moved to strike the Committee-approved AuCoin (D-Ore) amendment which would have exempted the PRC from the requirement of obtaining a Presidential determination before receiving Eximbank services. After a spirited and sometimes heated debate focused principally on the extent to which a symbolic gesture toward the PRC was needed at this time, Vanik's motion to delete the Committee amendment passed 179 to 138. There was some discussion of human rights in China, but the issue was handled in a relatively muted manner.

-- The tough issues -- Harkin's amendment and the several commodity restrictive amendments -- still remain to be faced. Both Harkin and Long were busy collaring Members on the floor.

MISCELLANEOUS

-- Dave Obey's double concerns about the HEW and Foreign Assistance Appropriations bills present clear pictures of our difficulties in dealing with congressional action on spending legislation. We will stand firm. *do so*

-- State CL staff believes that we should make a comprehensive Africa policy statement to put the daily news into a more understandable framework.

-- Under the Bermuda II agreement, you must choose two U.S. cities for dual service to London. Pressure from the delegations of the involved cities (NYC, LA, Boston) has begun in earnest.

-- House liberals, such as Bonker, Weiss, and Rangel, are openly bothered about recent Administration statements on USSR-Cuba activity in Africa. They fear another Vietnam-like entanglement.

-- DOT CL staff is working with Reps. Conable and Gibbons (of Ways and Means) and the Wall Street Journal and Business Week editorial boards in an effort to put pressure on the Public Works Committee to back down on their highway/transit bill.

-- We are working with OMB and DPS on an announcement strategy after you have made your decisions on water projects. WHCL will tell Members the good news; agency CL will tell Members the bad news.

-- The State Department authorization bill was hit with successful amendments aimed at reducing additional bureaucracies in the form of institutes and commissions -- provisions establishing an Institute for International Human Rights, and a Commission on Proposals for a Center for Conflict Resolution were deleted from the bill. The retirement provision is still in it. *try to remove* *ok*

-- Tuesday's primaries involve California, Ohio, Iowa, Mississippi, Montana, New Jersey, New Mexico and South Dakota. It looks like Congressman Max Baucus will probably win the primary battle with Senator Hatfield. The Senate Campaign Committee gave the Senator a last minute \$9,000 contribution; Baucus thought he had a commitment from the Committee that it would not fund the Senator's race. WHCL is staying clear of that one.

FLOOR ACTIVITIES, WEEK OF JUNE 5

House

Monday -- 3 suspensions:

- 1) Transportation of Coast Guard Employees. The Administration supports the bill which gives the Coast Guard authority to transport its employees to and from certain places of employment. The other Armed Services already have this authority.
- 2) Intervention on the High Seas Act Amendments. The committee report was unavailable for OMB analysis.
- 3) Federal Water Pollution Control Act Amendments. The Administration supports the bill.
- Boundary Waters Canoe Area. According to OMB, the Administration supports the objectives of this legislation to preserve the Boundary Waters Canoe Area (BWCA) in Minnesota in an undeveloped condition, but has concerns regarding some specific provisions including: 1) authorization of \$8 million for a special intensive timber management program on National Forest land outside the BWCA; 2) statutory prohibition of all mining in the BWCA which Justice construes to constitute a "legislative taking" (potential cost is unknown, but could exceed \$1 BILLION); 3) language which could have the effect of shifting the burden of proof in cases of fraud in the issuance of federal land patents from the U.S. to the patent holder; 4) special financial and technical assistance to individuals, businesses and communities in the vicinity of the BWCA; and 5) prohibition of maintenance of certain dams which may affect water levels in portions of the BWCA.
- Omnibus Territories Authorization. The bill provides miscellaneous appropriation and other authorities for the U.S. territories. It contains a number of budget authorizations which significantly exceed your recommendations. Other provisions include the establishment of several new national parks in the territories. OMB currently is negotiating directly with Rep. Burton on various provisions of the bill.
- Solar Power Research and Development Act. Rescheduled.

*Sounds
bad in
balance*

*If not
successful,
oppose*

Tuesday -- 3 suspensions:

- 1) Refuge Revenue Sharing Act. The Administration opposes enactment of the bill which establishes a special system of Federal payments to local governments based upon the acreage of the National Wildlife Refuge System within their boundaries. In particular, the Administration objects to a provision authorizing direct appropriations to make up the difference between Federal receipts from revenue-producing activities conducted on refuge lands (i.e., oil and gas development) and amounts for localities under the system of payments established by the bill.
- 2) North Pacific Fisheries Act Amendments. The Administration strongly supports the bill which implements a recently negotiated Protocol to the International Convention for the High Seas Fisheries of the North Pacific Ocean (INPEC). One of the principal results of the legislation will be to significantly reduce the number of Dall porpoises that would otherwise be killed by fishermen during the upcoming salmon season which begins on June 9.

*will
veto*

- Same*
- 3) Polar Living Marine Resources Conservation Act. The bill would require the Commerce Secretary to establish a program to study, monitor and assess polar living marine resources and the marine environment of the Arctic Ocean and Southern Ocean. To carry out this program, the Secretary would be required to acquire and operate an appropriately equipped vessel. According to OMB, the Administration opposes enactment of the bill for the following reasons: 1) the Administration is preparing to undertake a broad ocean policy review which will include an assessment of the fisheries and research fleet requirement for U.S. polar programs; 2) the bill is premature in light of ongoing international negotiations; and 3) U.S. participation in the Antarctic fishery in the near future is not anticipated.

-- Intelligence Authorization. Rescheduled.

-- NYC Financial Assistance (begin).

Wednesday -- Treasury/Postal Service Appropriations.

-- Labor/HEW Appropriations (begin).

Thursday -- NYC Financial Assistance (complete).

-- Labor/HEW Appropriations (complete).

Friday -- Urgent Supplemental Appropriations for Black Lung.

-- Transportation Appropriations.

Senate

-- The Senate will carry on with Labor Law Reform.

2912

THE WHITE HOUSE
WASHINGTON
June 5, 1978

Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Please inform affected agencies.

Rick Hutcheson

cc: The Vice President
Frank Moore
Jody Powell
Zbig Brzezinski
Jim McIntyre
Charlie Schultze
Bob Strauss
Esther Peterson

CHANGING THE MEAT IMPORT QUOTAS

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

STM - PLS NOTIFY
AFFECTED AGENCIES

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	✓	VICE PRESIDENT
	✓	EIZENSTAT
		JORDAN
		KRAFT
		LIPSHUTZ
	✓	MOORE
	✓	POWELL
		WATSON
		WEXLER
	✓	BRZEZINSKI
	✓	MCINTYRE
	✓	SCHULTZE

		ADAMS
		ANDRUS
		BELL
		BERGLAND
		BLUMENTHAL
		BROWN
		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
	✓	STRAUSS
		VANCE

		ARAGON
		BOURNE
		BUTLER
		H. CARTER
		CLOUGH
		COSTANZA
		CRUIKSHANK
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HUTCHESON
		JAGODA
		LINDER
		MITCHELL
		MOE
	✓	PETERSON
		PETTIGREW
		PRESS
		RAF SHOON
		SCHNEIDERS
		VOORDE
		WARREN
		WISE

THE WHITE HOUSE

WASHINGTON

June 2, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

BOB BERGLAND
BOB STRAUSS
CHARLIE SCHULTZE
ESTHER PETERSON
STU EIZENSTAT

SUBJECT:

Changing the Meat Import Quotas

Issue

Food continues to be the most inflationary component of consumer purchases. Rapidly rising meat prices account for most of this, although short supplies of fruits and vegetables have also contributed. Because the herd rebuilding phase of the cattle cycle is imminent, beef supplies are at the low point in the cycle. Meat prices can, therefore, be expected to increase through the remainder of this year and well into next. Beyond our recent opposition to legislation that would have further restricted meat imports, the only major anti-inflationary action we can take to dampen meat price increases is to raise or suspend the existing import restrictions under the powers granted you by the Meat Import Act of 1964. Your advisers agree that increased imports will be necessary sometime during this year --only the extent of the increase and the timing is in question. Your guidance is sought on this.

Background

Retail Prices. The CPI for food has already increased 5.7 percent over the first four months of this year (Table 1). Recent changes in the WPI (which tends to lead the CPI) suggest the food price increase for next month, and perhaps the next two months, will be about the same as those that have occurred since January. The major contributor to the large increases in food prices is meat. This is primarily due to the livestock cycle, adverse winter weather, and strong consumer demand.

Table 1

Percentage Increases in the Consumer Price Index,
Monthly, 1978

	Jan.	Feb.	March	April
Food CPI	1.3	1.2	1.3	1.9
Overall CPI	0.8	0.6	0.8	0.9

Liquidation of the cattle herd has been underway since 1975, providing record large beef supplies to consumers at relatively low prices. This phase of the cycle was expected to end this year and the herd rebuilding phase to begin. As animals are retained in the herds for breeding purposes rather than sent to slaughter, the supply of available beef for consumption is reduced. As a result, retail beef prices increase, and as consumers turn to other meats the prices of these products rise too.

For the year, beef production is projected to be down 5 percent from last year, pork up 1.5 percent, and poultry up 7.7 percent. Total meat production for 1978 is expected to be about 1 percent below last year's level. By the end of the fourth quarter of this year, retail meat prices are expected to be at least 18 percent above the level of a year earlier.

These prices will continue to be high and might increase somewhat through 1979 as the rebuilding of the cow herd continues. However, pork and poultry producers are both expected to respond to the currently favorable prices by increasing production of these meats, thus easing the price situation somewhat in 1979.

Cattle Production. The rapidly increasing grain prices of 1974, caused by a crop shortfall, triggered the 1975 downturn in the cattle cycle. Drought in many areas accentuated the herd reduction which continues into this year. This inventory reduction meant that large quantities of beef were marketed, thereby depressing prices (Table 2). As a result, cow-calf operators (producers of feeder cattle) experienced heavy losses for 4 years, and some ceased operation altogether. Except for brief periods since 1974, cattle feeders have operated on very narrow margins and generated little profit, if any. In the past few months, relatively low feed grain

and feeder cattle prices have enabled the feedlot operators to show profits. However, rising feeder cattle prices will reduce these margins, perhaps by the end of the year.

Table 2

Cattle and Feed Prices
(\$ per cwt. & bu.)

	1975	1976	1977	Jan	Feb	Mar	Apr	May 30
Choice Steers	44.61	39.11	40.38	43.62	45.02	48.66	52.52	60.25
Feeder Cattle	33.91	39.90	40.19	44.07	47.60	52.00	55.08	63.50
Corn	2.70	2.49	2.03	2.00	2.03	2.15	2.26	2.36

Meat Imports. Imported meat accounted for only 4.2 percent of all meat consumed in the U.S. last year. Imports are largest for beef and pork, accounting for 7 and 3.3 percent, respectively, of domestic consumption. Most of the meat imported in the United States is lean fresh-frozen boneless beef used in producing hamburger, franks, luncheon meats, and other processed meats. The principal suppliers are Australia, New Zealand, and Argentina. Most of the imported beef is blended with the fat trimmings from domestically fattened cattle to produce hamburger. If insufficient lean meat is available to mix with the trimmings, they are used in the production of tallow, a lower value product.

The primary source of lean beef in the United States is from animals culled from the dairy and beef herds. Since the decline in the beef cow herd will shortly end, the slaughter of cull cows and the supply of domestic lean beef will decrease. This will occur at a time when the production of fed beef is increasing, and more trimmings are available. An increase in the importation of lean beef would thus augment this supply and restrain, to some extent, retail price increases (most noticeably for hamburger).

The Meat Import Act

The President is required under the Meat Import Act of 1964 to impose restrictive quotas on certain meat imports if USDA projects that imports in any year will exceed a trigger level set in law. Rather than imposing import quotas, which have serious international trade policy implications, Presidents in the past have directed the State Department to negotiate voluntary restraint agreements (vra's) with exporting

countries. In six instances, these agreements provided for imports at or below the trigger level established by the Act while in three instances the restraints were above the trigger level. On three other occasions (1972, 1973, and 1974), the President suspended the quotas altogether with no voluntary restraints. You directed the State Department to negotiate agreements for 1978 at the trigger level of 1.292 billion pounds.

Policy Options

Your advisers have narrowed the feasible options to three:

- (1) Postpone action until later in the year.
- (2) Renegotiate the voluntary agreements to allow an additional 200 million pounds of meat to enter.
- (3) Suspend the quotas entirely, allowing unrestrained imports.

Our assessment of the options is as follows:

(1) Postpone Action. The USDA would prefer this option; however, it is willing to renegotiate the voluntary agreements on grounds that it probably represents the best compromise between producer and consumer interests. Their argument in favor of postponing action is that: (a) announcement at this time that imports are being opened could have a significant effect on producer expectations. June is the breeding period for much of the domestic industry. An Administration action that was perceived by producers as price depressing could cause them to sell this breeding stock, thereby substantially reducing the supply of beef some 18 months to two years from now. (b) Livestock producers have gone through three or four years of depressed prices and incomes. A rapid and full recovery from this situation necessitates higher prices. Coming after the farm protest movement, suspension of the quotas might be viewed by many livestock producers as further evidence of an unsympathetic attitude toward agriculture and pursuit of a "cheap food" policy. (c) Early action could revive support for and Congressional interest in amendments to the Meat Import Act (although we think that unlikely). (d) After the next two months, retail meat prices are expected to continue rising for 3 to 6 months, but at a slower rate; consequently, consumer demands for action might not peak for several more weeks. And, (e) it is also possible that suspension of the quota would coincide with (but not cause) a downward adjustment in cattle prices that some specialists forecast, and as a result, be blamed for causing the decline.

(2) Renegotiate Voluntary Agreements: This could be done with relative ease, probably within one week. This option is favored by USDA, CEA, STR, COWPS, OMB, Treasury, State, Henry Owen, and DPS.

Raising meat quotas by an additional 200 million pounds at this time would not have a major impact on retail meat prices nor is it likely to have a sizeable impact on the prices farmers receive for live cattle. The cattle cycle of the major exporting countries are generally synchronous to ours and the current supply of meat in the world market is therefore limited. Present estimates are that a complete suspension would result in only 200 to 250 million additional pounds entering this country during the remainder of 1978.

The immediate economic impacts, over the remainder of this year, of importing the additional meat are estimated to be:

- o a composite retail beef price that is 4 to 5 cents per pound lower and hamburger prices 6 to 7 cents per pound lower,
- o consumer savings on beef purchases of at least \$450 to \$475 million -- the equivalent of about 0.22 in the food CPI -- additional savings would accrue on purchases of substitute meats,
- o a lower price for utility grade cows of \$2 to \$3 per hundredweight, and \$1 to \$2 lower for fed cattle.

Although these impacts are not insignificant, producers and consumers both probably believe the action will have greater effect than it actually will. Without some action, consumer boycotts of meat might soon begin, reinforcing the inflation psychology. The political considerations surrounding this decision are thus of special importance.

The principal arguments for this option are: (a) This action will have about as much anti-inflationary impact as will anything that can be done, including outright suspension of quotas. Although there has been surprisingly little consumer resistance to rapidly rising meat prices, we have received reports within the past few days that suggest organized resistance could materialize soon. A meat boycott will serve neither producer nor consumer interest. And, although 4 to 7 cents per pound does not sound like much, an aggregate saving of over half a billion dollars is substantial.

(b) Negotiation of a new set of agreements will yield most of the anti-inflationary effects, but will be perceived by livestock producers as still affording them an element of protection. It is the outright quota suspension that is anathema to livestock producers. This option allows additional meat for domestic consumers while avoiding a strong negative reaction from producers. (c) This action will not undermine recovery of the livestock industry; rather, it will only slightly dampen prices that are expected to remain strong for at least the next 18 to 24 months. (d) Failure to take decisive action in view of the publicity accorded the CPI increases for April and the press reports of our consideration of this action will seriously undermine our anti-inflation efforts. The longer we delay, the more it will appear we are responding defensively, reluctantly reacting to outside pressures. (e) Also, the longer we delay, the smaller the quantity of additional imports that can enter this year. (f) Major components of the Administration's overall farm policy -- including the support of grain prices at modest levels, the farmer-held grain reserve, and the graze-out of wheat acreage -- have been supportive of recovery of the livestock sector. And (g) this is the countercyclical principle being put into practice (on the up side), a principle that livestock interests strongly supported (mostly for the effect it would have on the down side) in the recently proposed amendments to the Meat Import Act.

(3) Suspend Quotas Entirely. This option is favored by Esther Peterson, who feels that even though there is little real difference between options (2) and (3), suspension would convince and reassure the general public that you have not compromised in your efforts to take the strongest possible action to stem inflation. While most of the same arguments therefore apply, it could be slightly more anti-inflationary, depending on the quantity of imports that would actually enter. On the other hand, the strong price expectations this policy might provide to producers in other countries could cause them to reduce their exports. Politically, consumer interest groups favor this option and it gives the appearance of a decisive action on our part to combat inflation. However, it is unlikely that consumers would distinguish between this action and raising the quotas, since the price effect would be approximately the same.

-7-

If you select either option (2) or option (3), we strongly recommend that contacts be made on the Hill in advance of any announcement to make absolutely certain this action does not adversely affect other legislation, particularly the the energy bill where Senators Bentsen and Bellmon should receive particular attention.

DECISION

- ☐ (1) Postpone Action
- ☒ (2) Renegotiate Agreements (USDA, CEA, STR, COWPS, OMB, Treasury, State, Henry Owen, DPS) and Congressional Liaison
- ☐ (3) Suspend Quotas Entirely (Esther Peterson)



THE WHITE HOUSE
WASHINGTON

June 5, 1978

The Vice President
Stu Eizenstat
Hamilton Jordan
Tim Kraft
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Anne Wexler
Jim McIntyre
Hugh Carter

Re: Cabinet Summaries

The attached were returned in the President's
outbox today and are forwarded to you for
your personal information.

Rick Hutcheson

CONFIDENTIAL AND EYES ONLY



Office of the Attorney General
Washington, D. C. 20530

C

June 2, 1978

Re: Principal Activities of the Department of
Justice for the Week of May 27 through June 3

1. Meetings and Events

In a regular but important weekly meeting, the Attorney General and his personal staff met Tuesday for over two hours with the heads of the various bureaus, divisions, and organizations of the Department. Judge Bell used a detailed check list of major initiatives, goals, and programs to review the current status of each and timetables for completion. Each organization in the Department prepared in early 1977 a written statement of its missions and goals. The Attorney General has requested that each Department organization provide him a written update by June 19 of its progress to date and plans to accomplish such goals during the coming year.

2. Stanford Daily Supreme Court Case

Although the Justice Department was not a party in the Stanford Daily case, which arose from actions by Palo Alto, California local officials, the Department filed at the Supreme Court's express request an amicus brief after the Supreme Court granted certiorari. The Department in its brief urged a reversal of the broad extensions of the lower court decision which required that the Government could not seek a search warrant, supported by probable cause, until it had first attempted to obtain the evidence held by such third parties by subpoena duces tecum. The Department's amicus brief argued that such a blanket prohibition was not constitutionally required as to all such "third-party" premises, although the Department brief said that "federal law enforcement efforts would not be seriously hampered by a decision of this court approving the 'subpoena first' rule of the courts below in the limited context of searches of the press as a neutral 'third-party' believed to be in possession of evidence bearing upon a criminal investigation."

Several other points are important concerning the implications of the Stanford Daily decision:

- (1) No case is known in which a search of any media facility has been conducted under federal auspices.
- (2) Legitimate press interests are reflected in Justice Department regulations concerning the issuance of subpoenas to newsmen. These regulations include the requirements that all reasonable attempts should be made to obtain information from nonmedia sources before there is any consideration of subpoenaing a representative of the news media; that negotiations with the media shall be pursued in all cases in which a subpoena is contemplated; and that no such subpoena shall be issued without the express and personal authorization of the Attorney General.
- (3) The Attorney General proposed to the American Society of Newspaper Editors in April that these regulations concerning subpoenas be amended to include the same special first amendment considerations for search warrants obtained under federal auspices that may be directed upon media facilities. This amendment is now being drafted in the Department.
- (4) On Thursday, Deputy Attorney General Benjamin Civiletti announced to the Washington Press Club that the "subpoena first" rule would be adhered to by the Department as a matter of policy in the context of any proposed search of a media facility.

9:00 AM

①

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson

Jack

June 2, 1978

RE:

Proposed Agenda

1. Foreign Affairs

- I think it would be of great interest to the Cabinet for you to ask Cy Vance and Harold Brown to comment briefly on the recent round of NATO meetings in Washington. You might also comment on your evaluation of the meetings and on the nature of some of your bilateral discussions.
- In light of the recent confusing and erroneous press reports, you might clarify your position with respect to SALT and your determination that we proceed toward a SALT agreement.
- Comment on the Turkish arms embargo issue.
- Comment on the "legislative restraint" issue with respect to Presidential conduct of foreign policy. In this connection, you might ask Cy to give a brief status report on the situation in Shaba Province, Zaire, and Angola.

2. Status Report on Current Priority Domestic Policy Issues

- Anti-inflation efforts
- Energy legislation
- Civil Service Reform
- Tax reform
- Hospital cost containment
- Airline deregulation and noise bills
- Department of Education bill
- Labor/HEW appropriation bill
- Labor law reform

CC: The Vice President

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson



June 2, 1978

RE:

Summaries for the Week of May 29 -
June 2, 1978

We are attaching the weekly summaries.

CC: The Vice President

THE WHITE HOUSE
WASHINGTON

June 5, 1978

The Vice President
Hamilton Jordan
Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

DEFENSE WEEKLY REPORT

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Cabinet Summaries	Harold Brown to Pres. Carter, 2 pp., re: Defense Summary	6/2/78	A
Cabinet Summaries	Andrew Young to Pres. Carter, 1 pg., re: UN Activities	6/2/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential Handwriting File 6/5/78 [1] Box 89

RESTRICTION CODES

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THE WHITE HOUSE

WASHINGTON

June 5, 1978

The Vice President
Hamilton Jordan
Tim Kraft
Frank Moore
Jody Powell
Anne Wexler
Joe Aragon
Landon Butler
Jim Gammill
Dick Moe
Jerry Rafshoon
Phil Wise

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Rick Hutcheson

DNC WEEKLY REPORT

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	EYES ONLY

	✓	VICE PRESIDENT
		EIZENSTAT
	✓	JORDAN
	✓	KRAFT
		LIPSHUTZ
	✓	MOORE
	✓	POWELL
		WATSON
	✓	WEXLER
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		MCINTYRE
		SCHULTZE

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		BLUMENTHAL
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		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
		STRAUSS
		VANCE

	✓	ARAGON
		BOURNE
	✓	BUTLER
		H. CARTER
	✓	CLOUGH - note: <i>See memo as note sent?</i>
		COSTANZA
		CRUIKSHANK
		FALLOWS
		FIRST LADY
	✓	GAMMILL
		HARDEN
		HUTCHESON
		JAGODA
		LINDER
		MITCHELL
	✓	MOE
		PETERSON
		PETTIGREW
		PRESS
	✓	RAFSHOON
		SCHNEIDERS
		VOORDE
		WARREN
	✓	WISE

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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VANCE

DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

John C. White
Chairman

MEMORANDUM
June 2, 1978

TO: PRESIDENT CARTER
THROUGH: RICK HUTCHESON
FROM: JOHN C. WHITE *John C. White*
RE: WEEKLY STATUS REPORT ON DNC OPERATIONS

POLITICAL:

Illinois Trip. Probably the best trip from the standpoint of organization, press and overall reception. Editorial and Party comment both positive.

0 Senator Danny Inouye was keynote speaker at the Hawaii Democratic State Convention. The Senator made a strong emotional commitment to the President's programs and ticked off the tough issues and the successes. A note to the Senator, I'm sure, would be appreciated. (P.S. I didn't do bad myself.)

The upset in North Carolina and the races in Arkansas, in my judgment, do not indicate a national political trend concerning Administration issues or personalities.

Things to Watch. The vote on Proposition 13 will probably pass according to the best sources available. This measure would severely restrict State and local tax revenues in California. If successful, the national implications will be significant and we should begin some in-house conversations soon.

FINANCE:

Preliminary reports from the Texas fundraiser for June 23 are good. We have commitments on 130 tables. The house holds 120 and we're negotiating for another room.

THE WHITE HOUSE
WASHINGTON

May 5, 1978

Phil Wise
Fran Voorde

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

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	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
/	VOORDE
	WARREN
/	WISE



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

June 2, 1978

C

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities in the Department of Health, Education, and Welfare:

- Welfare Reform. On Wednesday, Stu and I are having lunch with Al Ullman, Jim Corman, Charlie Rangel and Mike Dukakis to see if we can form a consensus around an incremental proposal developed by the National Governors' Association that is similar to an Administration staff plan. Time is running out for this year. Nonetheless, even if we don't reach consensus or an agreement from the Senate to move promptly with a reasonable incremental bill, there has been some movement on all sides, and I think we should press forward now and try to reach agreement both within the Administration and on the Hill on the core elements of an incremental plan that you would introduce at the beginning of the next session.
- Cost Containment. We will be going flat out over the next few days to win the vote in House Commerce. Your meeting today with Chairman Rogers was very helpful.
- Appropriations. I will send you a brief memorandum this weekend explaining the add-ons to your budget made by the House Appropriations Committee and outlining our strategy for the Floor. The bill should reach the House Floor next week.
- Tuition Tax Credits. The House vote indicates that there are not enough votes for a veto override. When it emerges from the conference, the bill should be "clean" enough so that you can veto it without difficulty.
- Prevention. If we announce NHI principles in mid-June, you may have to delay your prevention speech until July. That speech is an important element in our overall strategy to develop a National Health Plan that not only extends coverage (per NHI) but begins to reshape the health system. One possible prevention

forum: Senator Kennedy and the AMA are co-sponsoring a prevention conference in late July. By speaking at that meeting you could dominate it -- as is appropriate on an issue about which you feel so strongly and on which you have decided to give a strong national lead.

- Legislative Meetings. I need an hour on your calendar in the next three or four weeks to lay out the tentative directions we are taking on five or six major legislative initiatives for 1979 -- in areas like aging, youth, disability, higher education and, to the extent we did not cover it in yesterday's NHI briefing, long-term care. This would simply be an information briefing designed to describe problems and issues we are exploring and to obtain any tentative reactions or thoughts you have at this time. I will send Stu a memorandum asking that this briefing be formally scheduled.



Joseph A. Califano, Jr.

	FOR STAFFING
	FOR INFORMATION
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	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

	ADMIN CONFID
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ACTION
FYI

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAF'SHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

F.Y.I.

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. CIVIL SERVICE REFORM

I am asking senior Treasury officials to hold employee briefings, to ensure accurate information is disseminated, and we will also send them a series of biweekly information statements to keep them up to date.

2. EPG ACTIVITIES

This week the Steering Committee made plans for a small group under Jim McIntyre to work out a strategy for cutting FY 1979 outlays by \$3-5 billion, as per your comments on my memorandum proposing this course.

The Committee reviewed preparations for the Summit. As a quid for commitments on growth, the Germans and Japanese (seconded vigorously by the British and French) are pressing for a firm U.S. commitment to raise domestic oil prices to world levels by 1980. We will shortly ask that you explore the impact of such a commitment on the energy bill's prospects with Ullman, Long, Dingell, and other members. It seems clear that even the first four parts of the bill will not pass until September, and we probably won't know COET's fate until the end of the session. This is unfortunate, because our allies are united in believing that the Summit's success hinges on us making a convincing case that we have the will and capacity to deal with our energy and inflation problems. An unsuccessful Summit could badly unsettle the dollar and would put long-term obstacles in the way of U.S. leadership on international economic matters.

3. CALLAGHAN MEETING

I met with Prime Minister Callaghan yesterday to discuss the Summit and other issues of mutual interest. Callaghan remained unwilling to commit himself to specified action on trade liberalization either in the MTN or at the Summit, saying that for domestic political purposes he would have to wait to see how the "package" of contributions by other heads of state shapes up before making his own commitments.

Jan 9/4/78

- 2 -

Callaghan emphasized the need for a successful Summit to assure continued stability of the dollar. In this regard, I encouraged him to appeal publicly for rapid Congressional action on our energy legislation.

4. FINANCIAL MATTERS

The dollar depreciated this week, with selling pressure attributed largely to evidence of growing inflationary pressure in the U.S., lack of evidence that the U.S. trade position was improving, and OECD forecasts of even higher payments surpluses and slow growth abroad. The Treasury and Federal Reserve intervened in the market on Wednesday, selling \$51 million of German marks to counter disorderly, one-way trading conditions.

5. TAX PROGRAM

I have been meeting with Ways and Means Committee members (and the Speaker) to encourage a coalescence of 19 Democratic votes around an acceptable package along the lines we discussed. As we expected, progress has been slow and difficult. Capital gains remains the chief sticking point. Most Democratic members believe a relatively low cost compromise in this area is necessary to avoid passage of the Steiger Amendment, but several Committee liberals are hostile to embracing even a limited compromise. Without liberal support, the package would need some Republican adherents -- which would pose new problems as to the substance and politics of the package.

6. NEW YORK CITY

On Thursday Mayor Koch broke off negotiations with the unions on new labor contracts. We are not yet sure when they will resume, or what the effect will be on the Hill.

Our guarantee legislation is tentatively scheduled for a House floor vote next Thursday. We are still firming up a vote count, but for now the outlook appears good.

In the Senate, Banking Committee hearings have been scheduled for next week, and I will testify on Wednesday. It is still unclear whether we can achieve a majority in that Committee for our legislation, but we have a good chance.

The State Legislature passed two necessary bills (deficient in minor respects) last weekend, relating to the City's financing.

- 3 -

7. FIREARM REGULATIONS

We have denied news reports that claimed Treasury had withdrawn or revised the proposed firearm regulations because of Congressional pressure. We confirmed that the comment period has been extended until June 30, that no funds to implement these regulations were included in the Administration's FY 79 budget, and that any decision to implement them would necessarily require seeking funds from Congress.

Rex Davis, Director of the Bureau of Alcohol, Tobacco and Firearms, announced his retirement June 1; while this is unrelated to the controversy over the regulations, there may be some speculation to this effect.

Mike

W. Michael Blumenthal

CLASSIFIED BY W. Michael Blumenthal
SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
AUTOMATICALLY DOWNGRADED AT TWO
YEAR INTERVALS AND DECLASSIFIED
ON DEC. 31, 1984.-----



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

June 2, 1978

C

MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report of Major Departmental Activities

Knoxville "Action Grant" Proposal Reviewed. Representatives of HUD and developers of Knoxville's Energy Exposition '82 met this week to discuss the Knoxville Urban Development Action Grant application. The Department suggested ways the application could be improved substantially to conform to program requirements and possible alternative sources of assistance. Knoxville representatives and HUD will continue discussions about future action that the City can take to achieve the City's goals.

West Virginia Disaster Relief. Fulfilling a commitment to aid West Virginians whose homes were destroyed in the floods of 1977, the Department has pledged \$2 million a year for 30 years for rental housing assistance to help finance 500 more new units of permanent low-rent housing. In addition, \$3.9 million has been earmarked for development of 100 urgently needed public housing units for low income families in Charleston.

Innovative Revitalization Projects Funded. The Department has awarded Columbus, Ohio, \$2 million for a joint public-private neighborhood revitalization project. This grant will help more than 100 low and moderate income renters become homeowners and leverage more than \$15 million in private funds to restore the Near North and University neighborhoods. Portland, Oregon, received a \$600,000 award to ensure that neighborhoods undergoing restoration because of increased demand for city residences have a diversity of housing to permit low and moderate income homeowners to remain in the neighborhood.

Single Family Mortgage Program Growing. During the first half of May, the Department received nearly 30,000 applications for single family mortgage insurance. This represents a 36 percent increase over comparable 1976 figures. The Graduated Payment Mortgage program, in which mortgage payments gradually increase over a specific time during the life of the mortgage, also continues to grow. Over 2,800 applications were received in the first half of May, 1979, a pace nearly twice that of previous months.

Multifamily Project Inspection Task Force Passes Half-Way Point. The Multifamily Inspection Task Force has completed inspections of 154 projects of a total of 242 assigned. The Task Force was created to make on-site inspections of multifamily housing projects for the purpose of reducing possible project failures because of construction defects.

Pat

Patricia Roberts Harris



Department of Energy
Washington, D.C. 20585

June 2, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER

SUBJECT: Weekly Activity Report --
Week of May 29 - June 4, 1978

1. Uranium Enrichment Services. The Department announced that it is reopening the order books for providing uranium enrichment services. This action comes after long-term contracting for enrichment services was suspended on June 30, 1974, because the capacity of the government's three diffusion plants was fully committed. This action is now possible because sufficient additional enrichment capacity will be available to meet new orders.

This action supports the Administration's non-proliferation policy by making U.S. enrichment services available again to foreign buyers. U. S. ability to provide assured supplies of enriched uranium for light water reactors is an important element in reducing pressures for reprocessing and breeder reactors.

2. Program Management System. Under Secretary Dale Myers has instituted a new program management process which will lead to a revised set of internal management procedures. This system will implement a stronger review by DOE general management on major Departmental outlay programs. The current procedures, which were inherited from ERDA, do not provide sufficient control over the direction of major programs or their costs and schedules. First elements of this system should be in place within the next 90 days, and will be of substantial value in helping the Department readjust budget priorities by eliminating unnecessary program expenditures carried over from previous administrations.

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

"FYI"

C

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall

Ray

SUBJECT: Major Departmental Activities, May 27-June 2

Civil service reform. Last week I noted in my memo to you that I had sent letters on civil service reform to the members of our Congressional authorizing committees. What may have been unclear to you is that these letters were a supplemental effort, a follow-up to my personal discussions with them. I will continue my efforts on civil service reform as soon as Congress returns.

Continuing discussions with the Vice President on cotton dust standard. I will be holding another meeting with the Vice President on this pressing OSHA matter this afternoon. I continue to feel that the final standard that OSHA is prepared to issue is eminently reasonable. The cost to the textile industry of this standard will be only one-fourth as much as the standard proposed by the Ford Administration. This point could be highlighted to illustrate the concern of the Administration with inflation. I believe that those who are concerned about this cotton dust standard do not fully understand the issues involved.

Controversy surrounds exemptions to allow 10-and 11-year olds to pick strawberries, potatoes and other crops. The Fair Labor Standards Act gives the Secretary of Labor the right to issue exemptions to allow children of this age to pick crops. The two principal things that the exemptions require the grower to demonstrate are: (1) there is no other available labor; (2) pesticides used on the crops cause no danger to children of this age. So far this year, I have been forced to deny all the requests for exemptions that I have received. The reason has been that the growers have not demonstrated conclusively that the pesticides will not endanger these young workers. My decision has caused some controversy with powerful Congressional leaders on both sides of the issue. I have asked the Environmental Protection Agency (EPA) for a reading on the toxic effects of pesticides on children of this age. Once I hear from them, we hope to issue final standards on this matter by June 15.

Jack Anderson's Memorial Day column on veterans programs
riddled with inaccuracies. I share your concern about the
erroneous statements in the Anderson column about the Admin-
istration's programs. I am in the process of setting up a lunch
with Anderson to try to convince him to write a second column
on the subject, correcting the first. I will be sending you,
under separate cover, a more detailed memo explaining the
factual errors in the Anderson column.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

June 2, 1978

MEMORANDUM TO THE PRESIDENT

Through Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

FARM INCOME & FOOD PRICE FORECASTS RAISED. USDA forecasts U.S. net farm income of \$25 to \$26 billion in calendar 1978, up from previous forecast of \$24 billion and 1977's \$20.4 billion. Retail food prices may average 8-10% higher in 1978, up from previous forecast for an average increase of 6-8% and last year's increase of approximately 6%. Continuing strong domestic and foreign demand for agricultural commodities, coupled with heavy U.S. producer participation in CCC loan and grain reserve programs are boosting commodity prices.

FARM PRICE INCREASE MAY SLOW. Based on movement in central market prices, May farm prices are not likely to match 4% increase in April. Rate of increase in prices appears to have slowed for grains, oil-bearing crops, poultry and eggs, while prices of meat animals appear to have accelerated.

CORN BELT WEATHER/PLANTING. Since most of the Corn Belt has been very warm and dry (since May 24) nearly all fields are now workable. There was significant rainfall in Iowa, Nebraska and central Illinois and some fields in Southwest Iowa are still too wet to work. Over the weekend, Corn Belt farmers made great strides in planting progress. Indiana planting is now close to 55% complete. Very little switching to either earlier varieties or to soybeans is indicated at this point.



BOB BERGLAND



THE SECRETARY OF THE INTERIOR
WASHINGTON

June 2, 1978

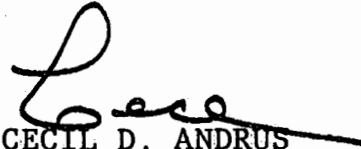
MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

Subject: Major Topics for the Week of May 29

Your margin note on my Alaska comments indicates that I exercised brevity too much. What I was referring to was committee action on the D-2 legislation. We have Senator Byrd's concern to face, but the Committee action is on schedule and we expect them to report the bill to the floor in mid to late July. At that time, we will move to counter the opposition from the Alaska Senators. I am still confident that we will have the bill passed this year.

My major concern for comment this week deals with the budget and our Cabinet Meeting last week. I agree that we cannot let the deficit build to where we face an accumulative total of 200 billion dollars at the end of our first four years, but I question whether our proposed curtailment in budget authorization is enough to get the attention of the American people. To the public a 175 billion total is just as bad as a 200 billion total. If the reductions take place in the human and natural resource areas, we could impact on these normally democratic constituencies and still not satisfy the general public. We would then end up with a negative political result in 1980. Would it not be better to cut the deficit even more and tell the American people that we all have to tighten our belts to curb inflation and government will lead the way. The voters would then see all programs slow up and not just the "people programs." This would bring about a positive political reaction with the chance to pick up some slack in the FY 1981 budget prior to the 1980 election.


CECIL D. ANDRUS



THE DEPUTY SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

June 2, 1978

C

MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

FROM: Alan A. Butchman

Alan Butchman

SUBJECT: Significant Issues Pending at the Department
of Transportation

International Marine Safety Efforts - Secretary Adams is in Brussels this week attending the International Conference of Ministers of Transport. Next week he will announce a recently negotiated agreement giving the United States jurisdiction over Norwegian flag tankers serving the deepwater port off Louisiana. This agreement is significant in that it will serve as a model for other international agreements and enhance our efforts to insure safe transport of overseas oil.

Also the Department's Coast Guard will be leading the U. S. delegation to the International Conference on Training and Certification of Seafarers beginning June 14 in London. Our objective is to gain an international agreement on upgrading the standards of the world's merchant seamen. Studies of major merchant vessel casualties worldwide indicate 80-85 percent are attributable to human error.

These efforts are part of our work to implement your March 1977 maritime safety initiatives.

Highway/Transit Bill - This week DOT officials met with editors of the Wall Street Journal and Business Week to discuss the Administration's case against the inflationary highway/transit bill, passed by the House Public Works Committee. Similar efforts with other publications and public interest groups are planned before final House action on the bill, expected in late June or early July.

Concorde Noise Rule - The final Concorde noise rules are proceeding on schedule. On Thursday, June 1, the rule was sent to EPA for review and copies were also provided to the National Security Council and your Domestic Policy staff. The timetable calls for a final issuance on July 1 with an effective date of July 31. The rule would allow the first sixteen (16) Concordes to operate to U. S. airports, subject to the right of airport proprietors to exclude them through non-discriminatory noise rules.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

1

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren *Charles*
Gus Speth

SUBJECT: Weekly Status Report

Report on Meeting with Environmental Representatives:

The major topic of today's luncheon meeting was the reported activities by CEA, COWPS and OMB to hold up or modify environmental and health regulations proposed by EPA and OSHA. All present were suspicious and concerned. The following observations and criticisms were expressed to us:

- The Administration should not jeopardize environmental and health regulatory programs as a means of combating inflation when serious inflationary impacts of these programs have never been documented. In fact, it was argued, these programs have deflationary impacts as they tend to hold down health, recreation and other costs. It was also noted that the effect of these programs is to bring the prices of products in line with their true social costs, thereby contributing to economic efficiency.
- They pointed out that the CEA, COWPS and OMB regulatory reviews appear to be little different from the OMB "quality of life" review of the prior Administrations which was criticized during the campaign and terminated at the beginning of your Administration.
- Finally, they noted that the regulatory reform effort is supposed to be an open process with public participation and this is not occurring.

We feel that the regulatory review effort, if continued in the present manner, will produce a backlash among environmental and health supporters in Congress and among the public, including organized labor.



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

"FYI"

June 2, 1978

REPORT TO THE PRESIDENT

The meeting on National Health Insurance was especially valuable to me because it is a subject about which I know relatively little. It, therefore, provided me with an opportunity to listen to those who do know and to reflect on the essence of what was said. I now believe that the dilemma or anomaly which you identified at the outset between commitment to a substantive National Health Program on the one hand and commitment to restraint of inflation on the other may, in fact, be resolvable. It became clear that if nothing is done (the equivalent of deferral), the costs of the present non-integrated, essentially incoherent national and state plans will skyrocket to an extent which will make inaction more costly than almost any sensible action. It appears that much can be done to significantly improve our health system without additional cost - to develop a national program which is coherent, explicable and controlled in a way which is consistent with your commitment to fiscal restraint. Of course, there are many options which must be researched with respect to ingredients, sources, controls, etc. The sense I have of the business community's view is that they would support a program developed in orderly and reasonable fashion, and phased over an appropriate period of time. It would be Commerce's job, of course, to stay in touch with that community as appropriate while such a program is being developed.

The index of leading indicators rose by a moderate 0.5 percent in April. Sizeable gains in stock prices and inflation-adjusted money balances were partially offset by declines in total liquid assets and in inflation-adjusted contracts and orders for plant and equipment, making the significance of the change inconclusive.

The confirmation of Henry Geller as Assistant Secretary for Communications and Information has been pending since March 23, 1978, before the Communications Subcommittee of the Senate Commerce Committee. Consideration of the nomination is being delayed until Senator Hollings works out his differences with the White House about telecommunications matters. We are working to effect an acceptable accommodation.


Sidney Harman
Acting Secretary

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

June 2, 1978

C

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze **CLS**
Subject: CEA Weekly Report

OECD Meetings. Bill Nordhaus and I were in Paris for several days this week at a meeting of the Economic Policy Committee of the OECD, which I chaired. The same kinds of questions arose as will be taken up at the Bonn Summit. The major problem at this, and subsequent international meetings which will occur between now and the Summit, is to avoid pressure from the non-Summit countries for premature declarations of policy.

Health Insurance. My staff has worked very closely with OMB throughout the past few weeks to prepare material for you on national health insurance. OMB and CEA will continue to cooperate in the development of principles for a health program, especially by way of trying to develop a phased program tied to the achievement of certain milestones on cost containment. We also will continue to work with HEW and DPS on the development of principles through the domestic PRM process.

Cotton Dust. You have received memos from Eizenstat, Marshall, and me on this problem. The three of us have met with the Vice President, and are meeting among ourselves Saturday afternoon to try to resolve this problem. I hope we can agree, to avoid sending it to you for decision, but I am doubtful. If it is settled any differently from what OSHA has proposed, I expect requests for depositions in court suits, Congressional hearings, and in general a lot of "flak." Given the quasi-judicial nature of the regulatory process, there is wide opportunity for outside parties to challenge governmental decisions whenever a regulatory agency appears to have been overruled by higher Executive Branch authority.

Meat Imports. My staff participated in the development of alternatives for you to deal with the rising cost of beef through import expansion. A memo on this matter should be on your desk.

CONFIDENTIAL

June 2, 1978

TO: President Carter
THROUGH: Rick Hutcheson
FROM: Ambassador Young
SUBJECT: USUN Activities, May 25 - May 31

SPECIAL SESSION ON DISARMAMENT

The Special Session on Disarmament continued its general debate throughout the week. Major speakers included Foreign Minister Andre Gromyko of the USSR, Foreign Minister Huang Hua of the People's Republic of China, Chancellor Helmut Schmidt of the Federal Republic of Germany, Prime Minister Pierre Trudeau of Canada and Vice President Rodriguez of Cuba. Negotiations to try to develop a consensus text will now begin against the backdrop of general disappointment at the lack of new initiatives and the polemics in New York and Washington regarding Cuban and Soviet activity in Africa.

NAMIBIA

Contact Group has been involved in considering next steps on Namibia. Group has agreed ad referendum on follow-up approach to South Africans. That approach would include suggestion to positive steps which might be taken by the South Africans to improve the political atmosphere. Group has also agreed that approaches to the frontline states should be made as soon as status of proposed frontline summit becomes clear. The meeting between Zambian President Kaunda and Angolan President Neto scheduled for June 3 should provide some clarification.

SECURITY COUNCIL

The Security Council on May 31 adopted draft resolution extending UNDOF (United Nations Disengagement Observer Force) mandate until November 30, 1978. Ambassador Leonard delivered the U.S. statement in which he pointed out U.S. commitment to obtaining a just and lasting Middle East settlement.

AMBASSADOR YOUNG'S OTHER MEETINGS

Rutgers University Commencement (honorary degree), 5/26;
Congressman Diggs, 5/26; Ambassador McElhiney (UNRWA), 5/31;
PRESS: Interview with Joe Fromm, US News and World Report, 5/26.

CONFIDENTIAL

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PER 2/5/93 414 RE MR-NLC-12-70
BY NARS, DATE 7/2/93



VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420

June 2, 1978

•TO : The President
THRU: Rick Hutcheson, Staff Secretary
FROM: Administrator of Veterans Affairs

VA Presidential Update

F. Y. 1979 Appropriations - House Appropriations Committee approved a subcommittee report adding \$124.9 million to VA budget. To keep open hospital beds VA planned to close, \$32.3 million was added for 1,500 extra medical employees. However, the report noted VA had advised Congress that 40% of the 3,132 beds planned for closing would be lost regardless of extra funding because of privacy and safety requirements. Medical research funds were upped by \$14.9 million, and the report directed VA to continue research funding at 53 hospitals scheduled to lose their research programs. The report also directed VA to go ahead with plans to build a \$67.8 million hospital at Camden, N. J., and refused to fund two VA alternative construction projects requested in lieu of the new hospital at Camden. Chairman Ray Roberts of the HVAC hailed the appropriations action as "a great victory for veterans." Roberts said additional amounts for VA will be added in supplemental appropriations later in 1978.

Healing Process - From my own assessment, and from what I have heard from some of the participants, I believe your May 19 meeting with veteran organization leaders was most timely and very constructive. If we can build on this good beginning I am convinced the healing process you initiated can be maintained.

Ft. Gillem, Georgia - Is one of three sites being considered for a new national cemetery in the southeast region. If Gillem turns out to be the most desirable site, it would require acquisition from the Army of at least 400 acres at the fort. However, if the land is found excess by the Army, there are indications the town of Forest Park would like to acquire it for probable commercial development. Georgia's Senators and three Representatives are very interested in the site selection, and we have talked with all five in recent weeks. The two Senators and Rep. John J. Flynt, Jr., favor Gillem - providing VA can handle probable criticism in the local community. Reps. Jack Brinkley and William Nichols favor a site at Ft. Mitchell, Ala., across the river from Columbus, Ga. Although Ft. Gillem is our preferred site at this point, no final decision will be made until all factors have been carefully considered. We have \$603,000 in our 1978 and 1979 budgets for plan and design work on a new cemetery in this region.

Community WASHINGTON, D.C. 20506
Services Administration



C

MEMORANDUM TO THE PRESIDENT

June 2, 1978

Attention: Rick Hutcheson, Staff Secretary

FROM: Graciela (Grace) Olivarez
Director

SUBJECT: Weekly Report of Significant Agency Activities
(May 29 - June 2, 1978)

Notre Dame Address

On May 21, the Director gave the commencement address to the graduating class of the University of Notre Dame Law School. The speech addressed the direct relationship of injustice to poverty and the responsibility of the legal profession in fighting injustice and eliminating poverty. Copies of the speech were unavailable last week so a copy has been ~~attached~~ to the report this week.

Access Handbook

A copy of the recently completed CSA Handbook "Opening Doors" is ~~enclosed~~. The report provides a guide to making facilities accessible to handicapped people. It is particularly important to CSA and its grantees because of the high number of senior and handicapped clients the Agency serves.

Southern Rural Action, Inc.

Southern Rural Action, Inc., has been awarded an emergency grant of \$50,000 to provide bridge funding until other Federal and private assistance applications have been processed. SRA, Inc. is a CSA grantee providing self-help technical assistance to groups of poor persons in the southeastern United States.

New Seattle Regional Director

After interviewing four candidates, CSA nominated Dean Morgan to become the new director in the Region X - Seattle CSA Office. Mr. Morgan has a background of involvement with community-based organizations. His nomination has been sent to the White House and is currently under review. Mr. Morgan was one of two candidates recommended by Senator Magnuson.

U.S. Conference of Mayors

The CSA and USCM staffs have agreed on the principles upon which a proposal would be prepared by the Conference and CSA. The proposal will reflect the growing interest of mayors in dealing with the fiscal problems of city government by promoting private economic activities. One objective of the project will be to show how community-based economic development can become an important ingredient in a city's comprehensive approach to urban improvement. In addition, the CSA and the USCM are exploring the potential of a joint project that involves the role of community action agencies and local government in the coordination of human services.



Administrator

9

June 2, 1978

MEMORANDUM FOR THE PRESIDENT

THRU: Rick Hutcheson

SUBJECT: Weekly Report of GSA Activities

Substantial Savings Expected From New Billing/Depositing System

As the result of a President's Reorganization Project study group recommendation, payments from sales of stockpile materials will be made directly to Treasury. It is estimated that this will accelerate the cash flow by about 9 days. Additionally, billing information for purchases from the stockpile will be wired to the central billing location immediately upon shipment of material from the depot. This will accelerate the billing process by 21 days. The interest savings to the Treasury are estimated to average nearly \$800,000 a year.

A handwritten signature in cursive script, appearing to read 'Jay Solomon', is written over the typed name and title.
JAY SOLOMON
Administrator

CSA NEWS

COMMUNITY SERVICES ADMINISTRATION

WASHINGTON, D.C. 20506
(202) 254-5150 or 254-5840

REMARKS PREPARED FOR

GRACIELA (GRACE) OLIVAREZ

DIRECTOR

COMMUNITY SERVICES ADMINISTRATION

FOR THE UNIVERSITY OF NOTRE DAME

LAW SCHOOL COMMENCEMENT

SOUTH BEND, INDIANA

MAY 21, 1978

COMMENCEMENT IS AN OCCASION FILLED WITH JOY AND A SENSE OF ACHIEVEMENT. SO LET ME FIRST SAY CONGRATULATIONS TO ALL OF YOU AND ALSO TO ALL OF YOUR FAMILIES, SPOUSES, AND CHILDREN - BECAUSE THEY HAVE OFTEN HAD TO WORK JUST AS HARD AS YOU TO GET YOU HERE TODAY.

I REMEMBER HOW HAPPY I WAS THAT GRADUATION HAD FINALLY COME. I WAS FREE AT LAST AND I THOUGHT TO MYSELF THAT IF THEY WILL ONLY STOP TALKING, I CAN GET MY HANDS ON THAT DIPLOMA. SO I WILL BE BRIEF, UNDERSTANDING BY WAY OF EXPERIENCE YOUR IMPATIENCE TO GET THAT MAGIC PIECE OF PAPER AND JOIN YOUR FAMILIES AND LOVED ONES IN LONG AWAITED AND DESERVED CELEBRATION.

I AM MORE THAN A LITTLE NOSTALGIC. I CAME HERE TO LAW SCHOOL IN 1967 -- THE FIRST WOMAN, THE FIRST HISPANIC. THAT WAS ELEVEN YEARS AGO.

TWELVE YEARS AGO I HAD NEVER EVEN DREAMED OF GOING TO LAW SCHOOL.

I AM DEEPLY HONORED AND VERY THANKFUL TO THE GRADUATING CLASS FOR THIS OPPORTUNITY. AS AN HISPANIC WOMAN, I AM ALSO VERY PROUD OF OUR LAW SCHOOL AND OUR UNIVERSITY AND WHAT IT STANDS FOR.

AS I SAT HERE EIGHT YEARS AGO TODAY, I COULD NEVER HAVE IMAGINED THAT I WOULD BE BACK TODAY GIVING A GRADUATION ADDRESS. AND THE MOST UNLIKELY THOUGHT I COULD HAVE HAD EIGHT YEARS AGO WAS THAT I WOULD GIVE A GRADUATION ADDRESS ON THE SUBJECT OF POVERTY IN OUR COUNTRY.

WHEN I GRADUATED IN 1970 POVERTY WAS NO LONGER IN VOGUE. MINORITIES (EVEN CHICANOS) WERE NO LONGER "IN". WOMEN AND THE ENVIRONMENT WERE BECOMING FASHIONABLE ISSUES AND OF COURSE THE WAR WAS STILL FOREMOST IN OUR MINDS. BUT, ALL OF THESE ISSUES HAVE FADED RATHER QUICKLY.

NOW ALMOST EVERY CAUSE IS OUT OF STYLE. NO ONE SEEMS TO WANT TO LISTEN, OR BELIEVE, OR ENLIST IN ONE LAST CRUSADE. SO WHAT IS FASHIONABLE TODAY? WHAT IS THE "IN" THING?

I AM AFRAID IT IS SELF INTEREST, WHEN ONE OF THE MOST POPULAR BOOKS ON THE BEST SELLER LIST IS TITLED "LOOKING OUT FOR NUMBER ONE". AND IT IS INSECURITY ABOUT EMPLOYMENT, INFLATION, ENERGY AND TAXES. UNCERTAINTY HAS DRAINED OUR SENSE OF SECURITY AND BELIEF IN OURSELVES.

I WOULD LIKE TO BE ABLE TO TELL YOU THAT I BRING YOU THE WORD FROM WASHINGTON, BUT THE WORD FROM WASHINGTON IS THAT WASHINGTON DOES NOT HAVE THE WORD.

I WOULD LIKE TO BE ABLE TO TELL YOU THAT I BRING YOU THE WORD FROM THE LEGAL PROFESSION, BUT ITS BEEN A BAD YEAR FOR US. THIS MONTH THE PRESIDENT OF THE UNITED STATES ATTACKED THE LEGAL PROFESSION BECAUSE WE ONLY REPRESENT THE RICH. RECENTLY THE CHIEF JUSTICE OF THE SUPREME COURT ATTACKED THE LEGAL PROFESSION FOR BEING FILLED WITH INCOMPETENTS AND LAW SCHOOLS FOR PRODUCING INCOMPETENTS. THE ATTORNEY GENERAL OF THE UNITED STATES REPEATS HIS FAVORITE THEME THAT THE ADVERSARY SYSTEM IS OBSOLETE AND THAT WE NEED NEW METHODS FOR SETTLING DISPUTES - PREFERABLY WITHOUT LAWYERS AND JUDGES.

THESE WORDS ARE NOT COMING FROM RADICALS ATTACKING THE ESTABLISHMENT, AS THEY WERE WHEN I STARTED LAW SCHOOL HERE. THESE THREE GENTLEMEN ARE THE ESTABLISHMENT!

AND SO, PERHAPS IT ALL COMES BACK TO ONE SIMPLE PROPOSITION. ALL OF YOU ARE NOW LEARNED IN THE LAW. YOU HAVE STUDIED AND UNDERSTOOD OUR LAWS AND OUR CONSTITUTION. WHAT DOES THE CONSTITUTION TELL US? IT SAYS "WE THE PEOPLE OF THE UNITED STATES" HAVE COME TOGETHER - WHY? "TO FORM A MORE PERFECT UNION" - WHY?, WHAT IS THE VERY FIRST PURPOSE? "TO ESTABLISH JUSTICE" - JUSTICE. NOT LEGAL SERVICES, NOT A VOCATION FOR PROFESSIONAL PEOPLE, NOT FEES FOR ATTORNEYS - BUT TO ESTABLISH JUSTICE.

WHAT DOES JUSTICE MEAN TO YOU? -- I CAN'T REALLY DEFINE IT PERFECTLY, BUT I KNOW HOW TO WORK TOWARD ESTABLISHING IT -- AND THAT'S BY FIGHTING INJUSTICE. INJUSTICE IS SOMETHING WE ALL OUGHT TO RECOGNIZE AND KNOW BEFORE WE LEAVE HERE TO WORK IN THE SYSTEM WHICH IS INTENDED TO INSURE JUSTICE IN THIS COUNTRY.

WHAT DOES THIS HAVE TO DO WITH POVERTY AND THE MISSION OF THE AGENCY - THE COMMUNITY SERVICES ADMINISTRATION - WHICH I DIRECT? WELL, IT HAS A GREAT DEAL TO DO WITH IT AND THAT IS REALLY MY MESSAGE TODAY.

POVERTY WEARS MANY FACES IN THIS COUNTRY. MOST OF THEM SHOW US SOMETHING ABOUT INJUSTICE AS WELL.

THE NUMBERS ARE COLD AND IMPERSONAL, BUT I WANT TO REMIND YOU OF THEM. WE HAVE 25 MILLION POOR PEOPLE IN THIS COUNTRY AND FIFTEEN MILLION MORE WHO ARE NOT STATISTICALLY POOR, BUT WHO ARE ON THE BRINK OF POVERTY, ONE ACCIDENT ON THE JOB OR ONE ILLNESS IN THE FAMILY AWAY FROM STATISTICAL POVERTY.

THIS COUNTRY'S 25 MILLION POOR ARE NOT THE PEOPLE THE CONVENTIONAL WISDOM WOULD HAVE US BELIEVE THEY ARE. THEY ARE SIX AND A HALF MILLION CHILDREN, THEY ARE OVER TWO MILLION OLD PEOPLE, THEY ARE OVER SEVEN MILLION HANDICAPPED AND DEVELOPMENTALLY DISABLED PEOPLE, AND THEY ARE MILLIONS AND MILLIONS AND MILLIONS OF WORKING PEOPLE AND WORKING FAMILIES. I WANT YOU TO REALIZE THAT

THE MINIMUM STANDARD OF LIVING BUDGET FOR A FAMILY OF FOUR IN INDIANA, AS COMPILED AND REGULARLY UPDATED BY THE FEDERAL GOVERNMENT, NOW STANDS AT \$9,876. A FAMILY OF FOUR WITH THE HEAD OF HOUSEHOLD EMPLOYED, FULL-TIME, EARNING THE MINIMUM WAGE, HAS AN ANNUAL INCOME OF \$5,400. NOT MUCH MORE THAN HALF OF THE MINIMUM BUDGET FOR A FAMILY OF FOUR IN THIS STATE, AND SEVERAL HUNDRED DOLLARS LESS THAN THE POVERTY INDEX FOR AN URBAN FAMILY OF FOUR IN THIS COUNTRY.

THAT TELLS US SOMETHING ABOUT POVERTY. BUT THE NUMBERS ARE HARD TO COMPREHEND AND TOO EASY TO DISMISS. THEY HAVE NO HUMAN SCALE. SO LET ME TELL YOU, BRIEFLY, ABOUT A REAL PERSON WHO IS RIGHT HERE IN SOUTH BEND TODAY.

SHE IS A WORKING WOMAN. SHE HAS FIVE CHILDREN, THE YOUNGEST OF WHOM IS NINE MONTHS OLD. ONE OF HER CHILDREN IS SEVERLY MENTALLY RETARDED, CONFINED TO A WHEEL CHAIR AND CAN'T BE LEFT ALONE. THIS WOMAN WAS DESERTED BY HER HUSBAND WHEN PREGNANT WITH HER YOUNGEST CHILD AND SHE WAS LEFT TO PROVIDE FOR THEIR FAMILY ALONE. SHE WENT TO WORK - WHICH SHE WAS LUCKY TO FIND - AS A NURSE'S AIDE, BUT HAD TO LEAVE HER JOB BECAUSE OF COMPLICATIONS OF PREGNANCY. SHE WAS ABLE TO RECEIVE WELFARE AND OTHER ASSISTANCE, WITH THE HELP OF THE ANTI-POVERTY AGENCY HERE IN SOUTH BEND, AND RETURNED TO WORK AFTER HER CHILD WAS BORN. SHE EARNS LITTLE MORE THAN THE MINIMUM WAGE AND MUST CONTINUE TO RELY UPON SOME PUBLIC ASSISTANCE. BUT SHE CONTINUES TO WORK AND STRUGGLE EVERYDAY.

THIS IS THE FACE OF POVERTY, TODAY, IN OUR COUNTRY.

BUT YOU, YOU WHO BECOME LAWYERS HERE TODAY, WHAT DOES THIS HAVE TO DO WITH YOU? LET ME SAY IT TO YOU IN A DIFFERENT WAY. THE THING WE HAVE ALL MISSED IS THE RELATIONSHIP BETWEEN POVERTY AND INJUSTICE. FIGHTING INJUSTICE WILL HELP ELIMINATE POVERTY AND THIS INVOLVES SOME VERY SIMPLE PROPOSITIONS.

WE OUGHT TO REFRAIN FROM COLLECTIVE TORTS AGAINST THE POOR. BASICALLY, REGRESSIVE ACTIONS AND POLICIES AND LEGISLATION ARE SIMPLY COLLECTIVE TORTS AGAINST THE POOR: THE FORSEEABLE CONSEQUENCE OF CERTAIN ACTIONS BY GOVERNMENT IS HARM, INJURY TO CATEGORIES OF PEOPLE WHO ARE POOR BY STATUS, OR BIRTH, OR FAMILY, OR GEOGRAPHY, OR RACE OR SEX, OR AGE. WE NEED MORE THAN AN ENVIRONMENTAL PROTECTION AGENCY TO PROTECT THE SNAIL DARTER AND ENVIRONMENTAL IMPACT STATEMENTS TO PREVENT POLLUTION. WE NEED HUMAN IMPACT STATEMENTS TO PREVENT FURTHER INJURY TO THE POOR. THE COMMUNITY SERVICES ADMINISTRATION IS GOING TO TRY TO TAKE ON THAT JOB - TO TRY TO MOBILIZE THE COMMUNITY ACTION AGENCIES ALL OVER THE COUNTRY TO AT LEAST BRING A HALT TO REGRESSIVE ACTIONS AND POLICIES THAT INFLICT TORTS -- MASSIVE, COLLECTIVE, LEGITIMIZED TORTS -- ON THE POOR.

WE OUGHT TO STOP THE DENIAL OF RIGHTS AND THE EXPANSION OF THE KIND OF HUMAN PEONAGE THAT RESULTS WHEN YOUNG PEOPLE WITH IDEALS MORTGAGE THEIR ENTIRE LIVES TO GET THE EDUCATION THEY NEED TO

ADVANCE THOSE IDEALS. RIGHT NOW, MOST OF YOU ARE MORTGAGED TO THE HILT: WITH DEBT -- INSURED DEBT, SUBSIDIZED DEBT, GUARANTEED DEBT -- BUT DEBT. AND THAT MEANS THAT YOU HAVE TO EARN TOP DOLLAR TO PAY OFF THAT DEBT. 80% OF AMERICA GOES UNREPRESENTED, BECAUSE IT CAN'T AFFORD LAWYERS WHILE LAW SCHOOL GRADUATES GO UNEMPLOYED LOOKING FOR JOBS TO PAY OFF THEIR DEBT. THAT'S CRAZY. THOSE WHO HAVE LOOKED AT OUR HOUSING PROGRAMS FIND IT IRONIC THAT UNCLE SAM HAS NOW BECOME THE NATION'S BIGGEST SLUM LANDLORD. BUT HOW ABOUT STUDENT LOAN PROGRAMS. UNCLE SAM IS HOLDING A LOT OF COMMERCIAL PAPER. AT THE SAME TIME, THIS ENTIRE NATION IS ASKING HOW WE WILL DEVELOP AND PAY THE TRAINED YOUNG PEOPLE TO HELP DEAL WITH OUR MOST PRESSING PROBLEMS. WE ARE GOING TO NEED SOME CREATIVE WAY TO RETIRE EDUCATIONAL DEBTS. WE OUGHT TO ENABLE YOUNG PEOPLE TO RETIRE THEIR EDUCATIONAL DEBTS BY HELPING THIS NATION LIVE UP TO ITS IDEALS. THE LOANS MAY SUBSIDIZED, AND GUARANTEED -- BUT I CALL THE COST OF EDUCATION PROHIBITIVE WHEN IT DICTATES A WAY OF LIFE AND CAREER DIRECTIONS THAT SUBVERT OUR IDEALS. THE COMMUNITY SERVICES ADMINISTRATION IS GOING TO TRY TO COME UP WITH A PUBLIC SERVICE PROGRAM WHICH WILL PUT THE TALENT AND IDEALS OF OUR EDUCATED AND TRAINED YOUNG PEOPLE TO WORK IN SOLVING THIS NATION'S PROBLEMS WHILE THEIR EDUCATIONAL DEBTS ARE BEING RETIRED AS A REWARD FOR THIS PUBLIC SERVICE.

WE OUGHT TO BEGIN THINKING IN TERMS OF ANTI-TRUST ACTIONS APPLIED TO THE TRADES, THE PROFESSIONS AND EVERY AREA OF LIFE WHERE A NEED EXISTS BUT MONOPOLIES OPERATE TO PREVENT THOSE NEEDS FROM BEING MET. POVERTY DOESN'T JUST HAPPEN. POOR PEOPLE ARE NOT LAZY SHIFTLESS PEOPLE. THE POOR PEOPLE I HAVE LIVED AMONG GET UP AT FOUR IN THE MORNING AND WORK TILL SUNDOWN TO EARN FOUR OR FIVE DOLLARS. THEY SLEEP IN SHACKS WITHOUT TOILETS; SOCIAL SECURITY IS DEDUCTED FROM THEIR PAY AND NEVER DEPOSITED TO THEIR CREDIT; THEY ARE EXPLOITED AND THEY ARE THE VICTIMS OF INJUSTICE IN THIS COUNTRY.

POVERTY IS INJUSTICE -- I DON'T MEAN THAT IN THE OLD BLEEDING HEART LIBERAL SENSE. I MEAN POOR PEOPLE WORK LIKE HELL AND THEY ARE KEPT POOR, THEY STAY POOR AND THE SYSTEM KEEPS THEM POOR.

WHAT ARE THE STANDARDS OF REASONABLE CARE, OF PROXIMATE CAUSE, OF FORSEEABLE CONSEQUENCES OF GOVERNMENTAL POLICIES -- WHEN THE POOR ARE SHIPPED OFF TO VIET NAM TO FIGHT AN UNPOPULAR WAR, THEN BROUGHT BACK AND DENIED THE VERY HANDSOME BENEFITS WE PAID TO MIDDLE-CLASS SOLDIERS FROM PREVIOUS WARS?

WHAT ARE THE STANDARDS OF REASONABLE CARE WHEN THE VERY HOUSING CODES WE HAVE CREATED TO INSURE DECENT AND SANITARY HOUSING ARE USED TO INSURE THAT THE COST OF HOUSING FOR THE POOR IS PROHIBITIVE?

AND WHAT ARE THE MONOPOLISTIC EVILS THAT RESULT IN NO VIABLE WORK FORCE TO REHABILITATE THE SLUMS AT A PRICE THAT THE POOR CAN AFFORD -- WHILE AT THE SAME TIME, PEOPLE ABLE TO DO UNSKILLED, SEMI-SKILLED AND SKILLED LABOR GO UNEMPLOYED?

WE WON'T SOLVE THE PROBLEMS WITH LAW SUITS; WE WILL SOLVE THEM WITH THE KIND OF CREATIVE LAWYERING THAT GAVE US A CONSTITUTION AND THAT THIS NATION NEEDS AGAIN IF IT IS TO LAUNCH THE EXPERIMENTS AND TRY OUT THE APPROACHES NEEDED TO FIGHT INJUSTICE AND ELIMINATE POVERTY. THE COMMUNITY SERVICES ADMINISTRATION IS THAT LABORATORY, THAT EXPERIMENTAL AGENCY, THAT DEMONSTRATION AGENCY -- BUT IT WILL TAKE ALL OF US AND ALL OUR IMAGINATION TO ADDRESS THE STRUCTURE OF INSTITUTIONALIZED INJUSTICE, UNWITTINGLY EMBODIED, PROTECTED AND PERPETUATED BY MANY OF THE LAWS WE HAVE.

POVERTY AND INJUSTICE -- THEY MAY NOT BE IDENTICAL BUT TO ME THEY LOOK VERY MUCH THE SAME. THAT'S EASY TO DISTORT AND ATTACK. THE OLD RHETORIC USED TO BE: IT'S UNJUST TO BE POOR IN AN AFFLUENT SOCIETY; EVERYONE SHOULD HAVE A RIGHT TO EVERYTHING. THAT RHETORIC AND THOSE DAYS ARE GONE.

I'M HERE TO TELL YOU THAT TODAY, THIS ADMINISTRATION IS REDISCOVERING POVERTY -- AND THAT AS WE DO, WE FIND IT TANGLED IN A WEB OF LAWS WHICH DEFIES RESOLUTION.

THERE USED TO BE A SAYING: "IF YOU'RE NOT PART OF THE SOLUTION, YOU'RE PART OF THE PROBLEM:

IT IS MY RESPONSIBILITY TO SAY THAT, RIGHT NOW, OUR PROFESSION IS A PART OF THE PROBLEM.

TODAY IS A DAY OF JOY AND CELEBRATION -- BUT IT SHOULD BE A DAY OF SOUL SEARCHING. HENCEFORTH THERE ARE NO CATALOGS TO PRESCRIBE YOUR COURSE OF ACTION AND NO NEAT ACADEMIC LOCKSTEP TO TELL YOU WHERE AND HOW TO PROCEED -- AND NO GRADUATION DAY IN THE SKY TO ASSURE YOU THAT YOU HAVE FINISHED ALL THAT IS REQUIRED OF YOU.

I AM HERE -- ONE WOMAN ALONE -- HEADING ONE BELEAGUED AND ABUSED AGENCY -- TO TELL YOU VERY SIMPLY: THE POOR ARE STILL WITH US; POVERTY IS A FORM OF INJUSTICE, PERPETUATED AND FOSTERED IN MANY WAYS BY THE LEGAL SYSTEM; YOU HAVE A MORAL AND PROFESSIONAL RESPONSIBILITY TO AVOID USE OF THE LAW AS AN INSTRUMENTALITY OF INSTITUTIONALIZED INJUSTICE.

I SALUTE YOU ON THIS GREAT DAY IN YOUR LIFE. I HAVE GREAT EXPECTATIONS FOR YOU AND GREAT FAITH IN YOUR ABILITY TO FULFILL THEM.

I ASK YOU TO GO OUT FROM HERE TO YOUR OWN COMMUNITIES AND YOUR OWN JOBS WITH THE CONVICTION AND THE DETERMINATION THAT--NO MATTER WHERE THE COMMUNITY AND WHAT THE JOB -- YOUR CONTRIBUTION TO THEM WILL HELP FIGHT INJUSTICE AND POVERTY.

I ASK YOU TO GO OUT FROM HERE WITH A SENSE OF RESPONSIBILITY TO YOURSELF AND YOUR OWN IDEALS, A SENSE OF RESPONSIBILITY TO THE IDEALS OF OUR PROFESSION, AND A SENSE OF RESPONSIBILITY TO THE CHRISTIAN IDEALS WHICH THIS UNIVERSITY REPRESENTS.

I WILL LEAVE YOU WITH A QUOTATION FROM THE GOSPEL ACCORDING TO SAINT MATTHEW, BECAUSE IT IS APPROPRIATE TO THIS OCCASION, AND TO THIS INSTITUTION, AND TO OUR PROFESSION.

"FOR I WAS HUNGRY AND YOU GAVE ME NO FOOD,
I WAS THIRSTY AND YOU GAVE ME NO DRINK,
NAKED AND YOU DID NOT CLOTH ME, SICK AND IN PRISON AND
YOU DID NOT VISIT ME.

THEN THEY WILL ALSO ANSWER, 'LORD, WHEN DID WE SEE THEE HUNGRY OR THIRSTY OR A STRANGER OR NAKED OR SICK OR IN PRISON, AND DID NOT MINISTER TO THEE?'

THEN HE WILL ANSWER THEM, 'VERILY I SAY UNTO THEE, AS YOU DID IT NOT TO ONE OF THE LEAST OF THESE MY BRETHREN, YOU DID IT NOT TO ME."

OUR PROFESSION WILL GROW TALL THROUGH STOOPING OFTEN TO BRING JUSTICE, LOVE AND UNDERSTANDING TO THE OPPRESSED, THE NEEDY, THE UNDERPRIVILEGED, THE HANDICAPPED THE ELDERLY AND THE AFFLICTED.

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Opening Doors

A Handbook on Making Facilities
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